Managing Corporate Reputation

Management Challenges to Communicate the Corporate Identity in a SME

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Abstract

During the times of fast phased global business, organizations must discover new ways to make functional strategies to survive, so the search for competitive advantage remains the main objective for companies. Intangible assets are increasingly essential for value creation for firms due to their valuable, rare, inimitable, non-substitutable nature. Particularly corporate reputation can be identified as an essential intangible asset possessed by a firm, due to its tacit nature. Hence, managing and understanding the antecedent of corporate reputation management is crucial for gaining competitive advantage. Moreover, focus on valuing and understanding the intangibles is essential for SMEs, which usually possess fewer resources for evaluating and managing these resources compared to large and more structured companies. Worldwide SMEs are in general representing over half of the economy, and enhanced business performance can further positively influence on the economic wealth.

We were able to identify a research gap since there are no studies on how to utilize corporate reputation management in the SME context without a large scale of resources or the separate marketing department. We want to fill the gap by providing empirical evidence on the process of improving reputation management in Finnish SME setting. The purpose of this thesis is to gain more in-depth understanding of the prevailing corporate identity and communication in the SME and how to utilize these as an antecedent of corporate reputation by evaluating the internal managerial perceptions of the Finnish engineering installation company, Alpha Group. Furthermore, the aim is to give practical suggestions for managing corporate reputation by implementing an appropriate way to communicate the desired corporate identity both internally and externally.

A framework has been created from the previous literature where a process for managing corporate reputation is compiled. Corporate identity represents an antecedent of corporate reputation, whereas corporate communication can be seen as a management tool to manage it. To fulfill the purpose of the thesis, a qualitative study was conducted, with eight semi-structured interviews with the top and middle managers of Alpha Group. Through the interviews, we gained a more in-depth understanding of the current condition of corporate identity as well as internal and external communications.

From our findings, we could conclude that scarcity of resources is limiting the development of intangible resources in Alpha Group. Reputation of Alpha Group is based on the operational factors, rather than managed intentionally, so currently it is strongly associated only to serve their clients. Corporate identity was found unclear within the organization and the organization did not have strategy for corporate communications. This has caused unidentifiable corporate identity within organization, which has led to scattered corporate identity between different locations and business units. We will provide practical recommendations for managers of SMEs in general and for Alpha Group, on how to manage corporate identity and establish corporate communication systems.
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1. INTRODUCTION
This chapter includes the presentation of the problem background, followed by a theoretical background that gives an overview of the topic and research gap. Moreover, the purpose of the study is described, and the research question is introduced.

1.1 Problem Background

Globalization, shifts in the economy, industrial changes and information technology has forced the business environment to go through major constructional reform the past decades. A new globalized economy is creating more opportunities, but also more threats to firms. Firms do not only try to make dramatic improvements to compete but also try to survive. Even though many companies have a strong track record over the past decades, sometimes they are not just able to change as much as demanded in the rapidly evolving markets. Therefore, organizations must discover how to make new functional strategies to survive in the new era (Kotter, 2012). This has changed the nature of the businesses, the speed, and the way how business is done and what is valued, which forces firms to redesign themselves to adapt to the changes in the business environment and to respond to new demands on the markets.

In addition to the changing business environment as a whole, it is essential for firms to understand how their industry is changing. The first thing is to realize how it is changing and secondly, identify the core assets and activities of the industry and the firm. Firms cannot create value without reorganizing their core activities. Hence, firms have to change together with the industry. Otherwise, there is no guarantee for survival (McGahan, 2004). In the same fashion, Stefan Kohn, Head of Innovation Management at Fujifilm Europe has stated that "To ability to find new and non-traditional avenues to apply our strengths is fundamental to our ability to remain competitive and responsive" (Glenn & Stahl, 2009, p. 6). Therefore, organizations cannot maintain old traditions. They must change and find new ways to compete in rapidly changing business environments. Even though the markets are continuously changing, and firms have to adapt the changing situations, the search for competitive advantage remains the main objective for companies. Nowadays, the growth of knowledge- and service economy has caused the primary sources of firm value to be from increasing dependency on the exploitation and management of intangible assets (Watson, 2010, p. 131). Even though intangible assets are better managed and evaluated in larger and more structured companies, also SMEs with engineering managers should start to focus on valuing and understanding the intangibles and carry out actions that strengthen them (Crema & Nosella, 2014).

Therefore, we are investigating this phenomenon in SMEs setting in Finnish engineering installation company Alpha Group. The company under investigation was founded in 1993 and is now employing approximately 200 employees. It consists of the parent company Alpha Oy and its three Finnish subsidiaries: Alpha Pipe, Alpha Service, and Alpha Rolls. The annual revenue of Alpha Group was €30M in 2018. Alpha Group is an excellent example of a traditional company that has left behind due to the business environment. It is also an example of less structured SME that lacks a body that is directly in charge of intangible resource management, such as marketing or communications. This brings new challenges and a more specific scope for this study. Therefore, as there has been a shift from a product-driven economy to a knowledge-economy, Alpha Group has not been able to create more sustainable value by investing in its intangible assets.
While product-driven economy emphasizes tangible assets, the new knowledge economy highlights the importance of intangible assets, such as organizational culture, relationships, image and reputation (Kaplan et al., 2004, p. 4). Accordingly, in recent years, more and more organizations are getting aware of the importance of how to manage their reputation (Barnett et al., 2006, p. 27). As Roper and Fill (2012, p. 5) states "Every single move, decision taken and isolated event that involves a company is scrutinized" referring to that in order to influence the external perceptions of the firm, these things need to be managed systematically. Van Riel and Fombrun (1997) highlight that creating a good reputation should be top requisites on the company's development growth list and not kept in isolation and therefore, reputation is considered one of the most crucial strategic resources the companies can have (Flanagan and O'Shaughnessy, 2005, p. 445).

Within our initial interview with Alpha Group's management team, a few themes were brought up. They expressed that one of their problems was that they are not utilizing all possible social media platforms properly to communicate with their stakeholders. In the same context, they were lost with the content within these platforms. Additionally, they have faced problems with acquiring new talents as they have not positioned themselves clearly as an attractive employee. Therefore, they desire to strengthen their overall reputation. The key takeaway was that they do not have a systematic plan of how, what and where to communicate with different stakeholders as the core focus has almost solely been in the operational side, which does not consider all stakeholder groups. This, on the other hand, causes a risk of having an inconsistent corporate reputation. Whereupon, Gray and Balmer (1998) suggest that in order to manage corporate reputation, it is essential for managers to understand their corporate identity and how it is communicated. Accordingly, to systematically manage corporate reputation, a firm must rethink its identity and values, which in turn narrows down the gap between identity and reputation (Cornelissen, 2008, p. 79). This in mind, we identified that the source of the problem is a lack of communications and the company's ambiguous corporate identity. Hence, corporate identity and corporate communication serve the ground for managing the corporate reputation and will be the starting point of our research for Alpha Group.

All things considered, this thesis will focus on a corporate reputation from a management perspective and investigate how to utilize and communicate corporate identity. Furthermore, how to align it to their corporate strategy. Therefore, "Who are we?" is the first question to ask and has a great potential to motivate and shape the strategic choices and actions made by the company (Kiriakidou & Millward, 2000, p. 50).

1.2 Theoretical Background

Sources of sustainable competitive advantage have been the main interest for researchers in the field of strategic management (Barney, 1991; Hall, 1992; Wernerfelt, 1984; Porter, 1985). Since 80's and 90's resource management has been acknowledged and theorized as a source of competitive advantage and foundation of business strategy. The resource-based view (RBV) is one of the fundamental theories in management research, which focus on company's internal resources as the sources of competitive advantage, rather than focusing on its competitive environment (Barney 1991; Wernerfelt 1984). Therefore, firms could gain competitive advantages through analyzing the resources it already controls (Barney 1986, p. 1239). Whereupon, firms must be able to identify, analyze and develop its resources in order to create sustainable competitive advantage. Barney (1991
p. 112) suggests that identifying the firm's resources that are valuable, rare, inimitable and non-substitutable (VRIN) are the ones that can bring competitive advantage. RBV serve as a starting point for companies to understand the importance of systematic management of internal resources.

Furthermore, strategy researchers (Hall 1992, p. 143) have acknowledged the importance of intangible resources for firms' success due to the inimitable nature of intangibles in factor markets. According to Lev (2004, p. 109), intangible assets are "- a skilled workforce, patents, and know-how, software, strong customer relationships, brands, unique organizational designs and processes." All the assets mentioned above are the ones that matter in nowadays' competitive markets. Building a strong brand or creating a unique process can generate most of the corporate growth and shareholder value. Thus, in order to manage intangible assets, managers must be aware of the composition and recognize the value of the intangible assets (Axtle-Ortiz, 2013, p. 423). Therefore, the attention has shifted to recognizing the mechanism to compounding resources and renew and develop firms bundle of resources to be able to respond to environmental changes. Denicolai et al. (2015, p. 219) state that the markets are nowadays increasingly driven by the development and management of intangible assets, which are crucial resources to make the firm's competitive advantage unique and inimitable.

As highlighted earlier based on RBV, assets possess a competitive advantage when those are valuable, rare and difficult to imitate (Barney, 1991). Adding this to the changes in the business environment, intangible assets are increasingly essential for value creation for firms. Particularly corporate reputation can be identified as an important intangible asset possessed by a firm, due to its tacit nature. Reputation cannot be bought or sold (Hall 1992, p. 138), it is built over time (Gray & Balmer, 1998, p. 697), which makes it difficult to replicate. Based on this reputation can be identified as a significant asset in terms of firms' competitive advantage and reputation management is considered as one important aspect of our study. Hall (1992, p. 138) defines that reputation is knowledge and emotions about the firm perceived by individuals. He also recognized the significance of corporate reputation in terms of competitive advantage. Reputation is often used synonymously to corporate identity and image (Davies et al., 2003, p. 61).

Gay and Balmer (1998) have developed a framework for managing corporate reputation, which integrates fundamental components of the process; corporate identity, corporate communication and corporate reputation (Gray & Balmer, 1998, p. 695). The process starts with the management of corporate identity. In essence, corporate identity is the reality and uniqueness of a specific organization. It consists of organizational design, strategy, culture, and philosophy (Gray & Balmer, 1998, s. 697). Corporate identity has several external influences, as the identity has to be communicated to the various external stakeholders who form the corporate image, which on the other hand shapes the corporate reputation. These communications can be ranging from appearances by top management in public media to a specified strategy for corporate communication, which are involving design management, corporate advertising and public relations (Jo Hatch & Schultz, 1997, p. 362). However, corporate identity cannot be fully managed and therefore, companies must engage in active corporate communication activities that support the identity creation and corporate reputation building (Gray & Balmer, 1998; Jo Hatch & Schultz, 1997). Therefore, top management cannot neglect the importance of understanding and identifying corporate identity when seeking to manage corporate reputation systematically.
As discussed, managers have to be highly aware and capable of identifying, analyzing and managing its resources in order to create superior competitive advantage and add resource management as part of the firm strategy. As Wang and Ahmed (2007, p. 43) states, firms must be oriented to respond to external changes in their business environment. This involves "adaption, renewal reconfiguration and re-creation of resources, capabilities and core capabilities." As the appreciation of continuous, dynamic and intangible resources has replaced the traditional goods centered model in various levels of the business operations, systematic management of corporate reputation through corporate identity and communication is seen the scope of this study.

1.3 Research Gap

Scholars agree that outstanding reputation has a positive influence on variable aspects for business (Fombrun et al., 2000; Rose & Thomsen, 2004; Goldring, 2015). Corporate reputation is regarded as one of the firm's most valued intangible assets by several scholars, and it is seen to provide a competitive advantage (Roberts & Dowling, 2002; Fombrun & Van Riel, 2004). With favorable reputation, a company can differentiate itself from its competitors, enhance trust and loyalty, create preference among stakeholder groups, and enable to attract customers and competent employees (Dowling, 2004; Melewar, 2008). Corporate identity is an important aspect of reputation management (Gray & Balmer, 1998; Markwick & Fill, 1997). Therefore, corporate identity management has become a profound and consequential top management issue (Balmer, 1995; Van Riel & Balmer, 1997; Abratt & Kleyn, 2012). There are several studies (de Chernatony, 1999; Hatch and Schultz, 2001; Davies & Miles, 1998) that points out the gap between corporate reputation and identity. Therefore, this study aims to find out how corporate identity can be used to enhance corporate reputation by corporate communications. As corporate communication has a crucial role in corporate reputation management (Gray & Balmer, 1998, p. 699), communicating the corporate identity must be ongoing and all-time agenda for top managers (Balmer, 2017, p. 1480). It is suggested that communication must be adopted in a strategic level in all organizations and communications cannot be left solely for communication experts in organizations (Nothhaft et al., 2016, p. 100). The communicative organization as a mindset is emerging and this also creates a field for future studies.

Therefore, until now the area of corporate reputation is broadly studied and well understood. Corporate identity is a widely studied topic and dimensions of corporate identity components is conceptualized (Melewar & Karaosmanoglu, 2006). A lot of research has been conducted on how corporate communication affects the corporate reputation and it has become a well-understood topic. Furthermore, there is a clear conceptualization on corporate identity management (Markwick & Fill, 2008) and corporate reputation management (Gray and Balmer, 1998), which are creating a base for this study.

Previous studies have greatly focused on the conceptualization and integration of different intangible resources and intellectual capital components (Molodchik et al., 2014; Edvinsson, 1997; Johnson, 2006; Joia, 2000). Managerial studies have focused on the strategic relevance of intangible resources as a competitive advantage. Accounting studies have concentrated on how these intangible resources can be identified, measured and reported in financial means (Denicolai et al., 2015, p. 231). However, Albertini (2016,
p. 897) has suggested that case studies would significantly improve the knowledge of management of different intellectual components. Furthermore, Abratt and Kleyn (2012, p. 1059) argue that especially corporate identity and corporate reputation require additional empirical research to test the validity of the concepts and relationship proposed. As the relevancy of intangibles is already theorized, we focus to study how these intangibles could be understood, developed and managed systematically in an organization in order to create also financial outcomes for the company.

When considering the limitations of SME setting in intangible resource management, Crema and Nosella (2014, p. 18) point out that engineering managers in SMEs, in general, are more experienced with physical assets than intangible ones and they lack experience of developing and improving the intangibles. This creates a gap in how these challenges could be overcome. Often SMEs are not following any frameworks to develop their strategies and Singh et al. (2008, p. 539) suggest that SMEs requires studies that are following a more holistic approach for strategy making. Therefore, our study will further contribute with a more holistic view of helping managers to develop their intangible resource management keeping the limitations of SMEs in mind.

Majority of the studies on the topic are conducted quantitatively, whereas we want to gain an in-depth understanding of the phenomena by conducting qualitative interviews. Furthermore, our research provides evidence on intangible resources and their management, which is not valid only for large companies but also for SMEs. This gives essential evidence on raising awareness among SME managers that understanding, identifying and managing intangible assets, are essential since these resources are crucial value drivers (Steenkamp & Kashyaps, 2010; Crema & Verbano, 2013; Crema & Nosella, 2014) by offering their businesses a competitive advantage (Steenkamp & Kashyap’s, 2010; Crema & Verbano, 2013).

1.4 Research Purpose and Research Question

We are investigating Finnish industrial installation company Alpha Group on how they can implement reputation management practices through understanding their corporate identity and utilize corporate communications in order to gain superior corporate reputation among their different stakeholders. Therefore, the purpose of this thesis is to gain an in-depth understanding of the prevailing corporate identity and corporate communications in SME and how to utilize these as an antecedent of corporate reputation.

Given our identified problem, theoretical background, and research gap, we have formulated the research question for addressing the presented research problem and the purpose of this research:

How can corporate identity and communication be used for reputation management in Alpha Group?

The aim of this study is to create an understanding of the development of corporate identity and corporate communications for corporate reputation in SME setting where resources are limited. Alpha Group is representing a reality of intangible resource management in SME in a situation where antecedents of corporate reputation have not been managed systematically. This is conducted by identifying and analyzing the current status of Alpha Group’s resources, including corporate reputation, as well as corporate
identity and communication. Furthermore, we are using theory to create a framework, which guides us to develop a holistic approach that is feasible when resources are scarce. In the end, based on findings and theory, further suggestions are made.

The main motive in conducting the study is to bring practical insight into how corporate reputation is can be managed internally and what challenges might arise in an SME setting. In order to answer our research question, several theories and topics are covered. We intend to provide empirical evidence on the process of improving reputation management in Finnish SME setting. The main topics are a resource-based view, intangible resource management as well as corporate reputation, corporate identity, corporate communication, and management of corporate reputation.

1.5 Expected Contributions
A brief overview in terms of overall expected contributions will be presented here and further elaboration of the topic will be conducted in conclusion. We wish to bring practical insight particularly for SMEs that are seeking to start to manage their reputation more systematically and want to understand the role of intangible resources in corporate reputation building. The expected contribution is to establish an understanding of taking a holistic approach for corporate reputation management among managers, meaning that reputation is built from the inside and understanding the essence of corporate identity is essential for creating reputational outcomes. In order for organizations to narrow down this gap between corporate identity and corporate reputation, corporate communication must be applied as a part of every organization's strategy. Overall, managers can use this information to rethink how they can create value and competitive advantage from corporate identity and strong communications. Subsequently, to define all this as a part of the organization's strategy. As such, this study contributes a guideline with practicality to managers how to integrate corporate reputation management on the general management and to think corporate reputation, identity and communications at a strategic level.

All in all, we wish that our study will contribute particularly for the countries where SMEs have a large proportion of the country's business and employment, such as in Finland and other Nordic countries. In general, our study aims to add to the limited prior empirical evidence in the field of SME corporate reputation management. We believe that our study will contribute to the societal good by encouraging Finnish SMEs, which are the large portion of Finnish companies, to develop their management strategies, which will potentially increase their business success and further contribute to economic wealth. Improved business success will further positively influence the local community. From a theoretical point of view, our study contributes to the resource-based view with an in-depth understanding of the SME perspective.
2. THEORETICAL FRAMEWORK

In this chapter, we will review the theories and frameworks chosen to explore the research topic. The chapter is structured by going from the most fundamental theory of resource-based view to the framework of managing corporate reputation. Then we continue with more specific literature about corporate identity and corporate communication, which are considered the most critical topics for this research. The chapter will end with a short key takeaway of the theory chapter.

2.1 Resource-Based View

The resource-based view (RBV) is one of the main and influential theories in management research. It is creating a framework to explain the role of internal resources of a firm’s sustained competitive advantage (Kraaijenbrink et al., 2010). Therefore, RBV suggests that firms can gain a competitive advantage through its exploited resources, such as assets, skills, and capabilities (Barney, 1991; Peteraf, 1993; Hall 1992; Wernerfelt, 1984). When it comes to defining resources, plant, and equipment, skills and capabilities of the employees and managers, corporate structure and reputation are examples of different resources that a firm can possess (Barney 1986; Wernerfelt, 1984; Hall 1992). Therefore, firm resources do not only include assets that have physical existence (tangible), such as equipment, but it also considers non-physical immaterial assets (intangible), such as corporate reputation.

It has been found that companies can gain superior long-term performance by right exploitation of resources (Grant, 1991, p. 133; Galbreath, 2005, p. 984). However, the dimensions and the environment of a firm have to be understood if one seeks to find the distinctive features that enable the competitive value creation (Oliver, 1997, p. 710; Teece et al., 1997, p. 520). Therefore, the idea of RBV is to create strategies that exploit the internal strengths in order to respond to external environmental opportunities (Figure 1). This includes “neutralizing external threats and avoiding internal weaknesses” (Barney, 1991, p. 99). Thus, rather than trying to predict the future and doing an analysis of firm’s competitive environment, firms could gain competitive advantages through analyzing the resources it already controls (Barney, 1986, p. 1239). Adapting an RBV requires “a shift from focusing on products and product development to concentrating on resources and resource development” (Andersén, 2010, p. 3). Hence, it is essential to diversify based on what the company can actually do rather than the markets the firm is serving at the moment (Andersén, 2010, p. 4). After all, RBV emphasizes the fact that firms must identify the assets, capabilities and competencies that can deliver a competitive advantage to the firm, as nothing is arbitrary.
RBV is based on two critical assumptions: 1) Resources must be able to sustain heterogeneity and thus, each company possess different skills, structure, capabilities, resources and that differentiate companies of each other; and 2) Resources possessed by the company are immobile, in other words, resources cannot be transferred to other companies (Barney 1991, p. 103; Peteraf, 1993, p. 185). However, heterogeneity and immobility is not enough. Barney (1991, p. 116) stated that in order to firms to sustain the competitive advantage from its resources, the resources must be valuable (V), rare (R), imperfectly imitable (I) and non-substitutable (N) - (VRIN). This foundation of sustained competitive advantage has been a dominant assumption and been featured in all notable textbooks of strategic management in addition to teaching and consulting agendas (Newbert, 2007, p. 141).

In the same fashion, Peteraf (1993, p. 185) highlighted the importance of four different conditions that must be met in order for a firm to sustain superior competitive advantage. These four conditions are resource heterogeneity, ex-post limits to competition, imperfect factor mobility and ex-ante limits to competition.

Therefore, the main perception of RBV suggests, based on VRIN, that intangible resources are the most likely resources to create competitive advantage (Barney 1991; Kamasak, 2017, p. 253).

### 2.1.1 Tangible Resources

As discussed, firm resources can be seen as an internal resource, which is divided into tangible and intangible resources. Tangible resources are considered as an organization’s financial resources as well as physical equipment and infrastructure, such as plants, raw materials, and geographical location. Also, physical technology (e.g. advanced machinery or tools) used in a firm is counted as tangible resources (Barney, 1991, p. 101; Hall, 1992; Kamasak, 2017, p. 261). The essential feature of a tangible resource is that its outcome can be easily predicted and Galbreath (2005, p. 980) suggests that tangible resources involve those assets that contain financial or physical value and therefore are measured by the firm’s balance sheet.

Even though intangible resources are the most likely resources to create a competitive advantage for the firms, it has been studied that tangible resources are operating as the antecedents of developing capabilities due to the fact that they have a clear influence on firm routines (Schriber & Löwstedt, 2015, p. 64). In addition, it is interesting that findings of Schriber and Löwstedt (2015, p. 64) pointed out that even though organizational culture...
is represented as an intangible resource and it is one of the antecedents of organizational capabilities, organizational culture is influenced by the use of tangible resources. While competitors can acquire the same tangible resources, the decision-makers are responsible for managing and understanding the importance of the set of different resources the firm has the possess of (Denrell et al., 2003, p. 988). Therefore, the importance of tangible resources cannot be fully neglected as they can be part of creating differences in organizational capabilities (Schriber & Löwstedt, 2015, p. 66). However, when considering the VRIN-criteria set by Barney (1991), tangible resources do not fully meet the criteria and therefore this paper will continue by focusing on intangible resources that have the better possibility to meet the VRIN-criteria.

2.1.2 Intangible Resources
The main characteristic of intangible objects is that they are immaterial, in other words, they do not have physical existence (Diefenbach, 2006, p. 4). Intangible resources (IR) are defined as “assets” or “skills” and consist of a wide set of different capabilities, activities and processes companies do (Hall, 1992, p. 135; Michalisin et al., 1997, p. 378). According to Lev (2004, p. 109), IR are “- a skilled workforce, patents and know-how, software, strong customer relationships, brands, unique organizational designs and processes” or “technological knowledge, brand, reputation and customer base” (Denicolai et al., 2015, p. 219). As nowadays’ contemporary economy is driven by the development of these non-physical and crucial assets, companies must reconsider the spectrum of their resources. Building a strong reputation or creating a unique process can generate most of the corporate growth and shareholder value. Therefore, in order to manage IR, managers must be aware of the composition and recognize the value of the intangible assets (Axtle-Ortiz, 2013, p. 423).

As discussed earlier in RBV, sustainable competitive advantage is created by the possession of a relevant capability of distinctive features. The fundamental of these distinctive features relies upon intangible resources (Hall, 1992, p. 135). Nowadays, the growth of knowledge- and service economy has caused the primary sources of firm value to be from increasing dependency on the exploitation and management of intangible assets (Watson, 2010, p. 131). Therefore, markets are increasingly driven by the development and management of IR, which are crucial resources to make the firm’s competitive advantage unique and inimitable (Denicolai et al., 2015, p. 219). Identically, due to the inimitable nature of intangibles in factor markets, the importance of IR for a firm’s success has increased (Hall 1992, p. 143).

There are several studies (Galbreath, 2005; Kamasak, 2017; Ambrosini & Bowman, 2009), which point out that IR are considered as the most probable sources of firm performance and success due to their heterogeneity and immobility. For example, Galbreath’s (2005, p. 984) found out in his study that intangible assets, such as reputational assets, have a significantly stronger impact on firm success than tangible assets. In the same fashion, “Intangible resources and capabilities contributed more greatly to firm performance compared to tangible resources“ (Kamasak, 2017, p. 252).

Already RBV emphasized the importance of strategic assets, but Michalisin et al. (1997, p. 378) suggest that in order to an asset to meet the VRIN-criteria and categorized as a strategic asset, it must be intangible in nature. In addition, Teece and Pisano (1994) highlights the fact that intangible assets, such as organizational culture or reputation, cannot be bought, but they must be built. Therefore, the fundamental nature of intangible
assets is already making it possible to meet the criteria for VRIN. However, Michalisin et al., (1997, p. 379), makes the distinction between intangible assets and strategic assets. Non-imitable resources are often intangible in nature and they are called as strategic assets because of their crucial role in creating a sustainable competitive advantage for the firm (Michalisin et al., 1997, p. 378). Thus, he identifies corporate reputation, product reputation, employee know-how and organizational culture as the most critical intangible assets for firms. This is also supported by Hall (1992), who found out that that the reputation is seen as the most important IR by the UK executives.

In order to have a better understanding and categorization of IR, Johnson (1999) created the “intellectual capital” framework where IR are divided into three different categories. These three most commonly acknowledged components are human capital, internal structural capital and relational capital (Crema & Nosella, 2014, p. 9; Johnson, 1999, p. 565). This in mind, as corporate reputation is the focal point of this research, it is crucial to know that corporate reputation is mostly categorized as structural capital (Chen & Zhu, 2004). When it comes to structural capital, it belongs to the firm and is built by the firm by the motive of managing and generating the knowledge adequately (Joia, 2000, p. 71). In other words, it involves all the non-human storage of knowledge in the firm, such as organizational culture, systems, brands, and organizational structure. Therefore, it is creating the organizational value reflecting the external and internal focus of the company (Bontis, 2000; Chen & Zhu, 2004). In the same fashion, Roos (2003, p. 415) stated that structural capital is “what is left in the organization when people go home in the evening”.

Therefore, when considering corporate reputation as an intangible asset, it is crucial that is tied into the corporation itself, and its existing identity. This in mind, sometimes the reputation of the company is dependent on a particular individual within the firm rather than with the firm as a whole (Oliver, 1997, p. 707). As the key competence and nature of strategic assets in a firm is the fact that it should not be tradable or imitable (Amit & Schoemaker, 1993, p. 37), the strategic asset should not be tied into an individual as “this tacit or intangible asset become tradable through human capital transfers between the firms” (Oliver, 1997, p. 707). As a result, reputation as an asset around the firm will not automatically create a sustainable competitive advantage. Thus, reputation must be tied into the organization itself and Gray and Balmer (1998) suggest that firms must be engaged with different management activities in order to create a strong corporate identity and communication systems that a favorable impact on corporate reputation.

2.1.3 Dynamic Capabilities in Intangible Resource Management

Until this far the importance of the resources and the conditions of the resources are identified. However, only possessing these resources is not enough and in order to create value from them, firms need to assemble, combine and exploit them (Sirmon & Hitt 2003, p. 339; Sirmon et al. 2007, p. 273). In order to create and maintain value for stakeholders, resource management is an essential and value-enhancing process of organizing the firm’s resource portfolio, build capabilities from a bundle of existing resources and taking advantage of those capabilities. Process of structuring the resource portfolio includes using different processes to acquire the resources that are needed for integrating resources to form capabilities (e.g. enriching and stabilizing) and exploiting capabilities to leverage certain market opportunities (e.g. coordinating and deploying) (Kazanjian et al., 2002, cited in Sirmon et al., 2007, p.273).
Identifying resources is critical when trying to find and gain sustained competitive advantage and thus it should be a great interest of managers and other practitioners (Michalisin et al., 1997, p. 379). As resources themselves are not the factor that solely creates sustained competitive advantage, managers’ capability to integrate the bundle of resources effectively is essential (Grant, 1996, p. 117; Kraaijenbrink & Wijnhoven, 2008, p. 384). Accordingly, Sirmon et al. (2007, p. 273) state that resource management is an essential and value-enhancing process of organizing the firm’s resource portfolio and build capabilities from the bundle of existing resources. When it comes to RBV, the task is to maximize the rents over time by appropriate strategy formulation. This is achieved by the strategic management of resources (Grant, 1991, p. 119).

As the business environment is continuously and rapidly changing, firms must be able to sustain the competitive advantage even in unpredictable situations. This raises the importance of strategic agility. Therefore, there has been a shift from RBV to dynamic capabilities, which emphasizes the managers’ responsibility of adapting to new situations (Teece et al., 1997). Dynamic capabilities are based on RBV, but it realizes nowadays’ dynamic nature of the markets and thus, considers how these resources should be changed or update in order to sustain their relevance in the current markets (Madhani, 2009, p. 8). Hence, managers capability to “integrate, build, and reconfigure internal and external competencies to address rapidly changing environments” (Teece et al., 1997, p. 519) has become the source of superior competitive advantage. The point of dynamic capabilities is to focus on renewing firm’s resources in the way that they are aligned with the changes in its environment (Bowman & Ambrosini, 2003, p. 292). Therefore, it is a firm’s ability to adjust the resource base by creating, integrating recombinig and releasing resources (Eisenhardt & Martin, 2000, p. 1118).

Wang and Ahmed (2007, p. 43) state, the essence of dynamic capabilities is that firms must be oriented to respond to external changes in the business environment. This involves “adaption, renewal reconfiguration and re-creation of resources, capabilities and core capabilities” (Wang & Ahmed, 2007, p. 43). This is supported by Harreld et al. (2007, p. 24-25), who suggest that it is the managers’ role to develop the dynamic capabilities of the firm. This involves identifying the changes in their competitive environment, such as shifts in technology or nature of competition, then they also must react to these changes by reconfiguring their both tangible and intangible, resources to face the changes. This is also aligned with Barney’s (1991) original view of RBV that suggested that firms must analyze their internal resources to deal with threats and opportunities arising from its external environment. This capability to change depends highly on the motivation, skills, and experiences of the management (Zahra et al., 2006, p. 944)

This brings us to the fact that as dynamic capabilities and strategic agility is in the core of business operations nowadays and within that, managers must continuously develop and fight for brand management and reputation building among other activities (Morris et al., 2002, p. 7). Abimbola and Kocak (2007) argue that “coherent brand and reputation building strategies are regarded as something that is beyond available resources to implement” and in prevailing economic environments, it is difficult to systematically and actively drive for their business strategies without engaging coherent reputation building strategy.
2.1.4 Corporate Reputation

“It takes 20 years to build a reputation and five minutes to ruin it.” (Warren Buffet)

Understanding Corporate Reputation

Since nowadays the marketplace and way of conducting business has changed to more digital form and mass media has gained huge importance not only for the private person but also for companies, the value of corporate reputation has come into the business spotlight. Corporate reputation is an example of a complex social resource that represents an imperfectly imitable resource. There is no guarantee that competitors can achieve the same valuable benefits from it since these imperfectly imitable resources do not face direct and standard management (Barney, 1991, p. 115). Corporate reputation is built based on everything the organization does, communicates and signals (Davies & Miles, 1998, p. 16; Fombrun & Van Riel, 1997, p. 6). Roper and Fill (2012, p. 5) also add that corporate reputation is an important part of the company’s value. The position taken in this research is that reputation is one of the most strategic assets and can allow firms to gain a superior competitive advantage or to sustain superior financial performance. Therefore, the research desires to study how the antecedents of reputation, corporate identity, and corporate communication, can be developed and utilized in order to manage corporate reputation and build competitive advantage.

Some authors have offered their definitions for the concept and separate the reputation form other intangible marketing resources such as image and brand. However, some of the definitions do not bring in the precise definition. There are varying views on defining reputation and these have been divided into two dominant schools of thoughts by Gotsi and Wilson (2001). These are an analogous school of thought, where corporate reputation and corporate image are treated as synonyms, and differentiated school of thought, where on the other hand, the terms are treated separate and connected (Gotsi & Wilson, 2001, p. 24). Schweizer and Wijnberg (1999, p. 249) have only recognized reputation as an intangible part of the company’s set or resources. Griffin (2008) makes no separation between reputation and customer and employee satisfaction, financial performance or other indexes. Rather, it is seen as a result of all of them. Even if the definition of reputation is easily confused with the definition of image and identity, Barnett et al. (2006, p. 32-34) make a clear separation between image, identity and corporate reputation, since reputation is seen as observer’s judgment about that organization. For our study, we adopt the differentiated view where definitions of reputation and image are separate, but where they are still seen interconnected since in our study it is essential to look into these concepts separately when analyzing the company in strategic and marketing point of view. Additionally, even if an image is closely linked to the study subject of reputation, we exclude an image from our study scope and focus only on corporate reputation as an intangible resource. Hence, we are moving on with a more detailed and elaborate defining of corporate reputation from this perspective.

Fombrun’s (1996, p. 165) definition of reputation is: “a perceptual representation of a company’s past actions and future prospects that describe the firm’s appeal to all of its key constituents”. It is defined as a mixture of social image, financial image, product image, and recruitment image reputation (Fombrun, 1996, cited by Roper & Fill, 2012, p.6). This definition is closely linked to the view of certain aspects of the company. In the context of organizational level, reputation is impressions and views not only customers of the end product or service but also of different stakeholders (Fombrun, 1996, p.3). An organization’s stakeholders are any group of people that affect or are affected by the
organization’s behavior (Freeman, 1999). Also, Martin and Burke (2012) argue that corporate reputation has various aspects since it varies between different stakeholders’ perspectives. Bromley (2000, p. 240) also finds it significant that reputation differs among people and defines that reputation is a set of opinions about a person or a company. For our study, we employ the definition presented by (Gotsi & Wilson, 2001) describing corporate reputation as “a stakeholder’s overall evaluation of a company over time” (p. 29). This definition is based on the stakeholder’s direct experiences with the company and any other form of communication and symbolism that provides information about the organization’s actions, with a comparison of the actions of other rivals within the market.

Moreover, corporate reputation has been characterized as having an evolving nature, by a result of constant performance, strengthened by efficient and active communication (Gray & Balmer, 1998, p. 697). In a marketing perspective, branding has been seen as a key to reputation management (Roper & Fill, 2012, p. 6). The longevity and the history of reputation matters (Bennett & Gabriel, 2001, p. 437) and the consistency of it over time is vital (Roper & Fill, 2012, p. 6). A highly considered reputation should communicate the firm’s stated mission, the quality and professionalism of firm’s leadership, the talent of the employees working in the firms and its role within the marketing environment (Dowling, 1994, p. 82-83).

**Corporate Reputation Management**

In recent years, more and more organizations are getting aware of the importance of managing their reputation (Barnett et al., 2006, p. 27). As Roper and Fill (2012, p. 5) states; “Every single move, the decision taken and isolated event that involves a company is scrutinized” referring to that in order to influence the external perceptions of the firm, these things need to be managed systematically. Fombrun and Van Riel (1997) highlight that creating a good reputation should be top requisites on the company’s development growth list and not kept in isolation. With a good and strong reputation, the company will gain many marketing advantages.

According to Fombrun and Van Riel (2004) companies that possess a good reputation attracts positive stakeholder engagement. A favorable corporate reputation increases business survival and profitability (Roberts & Dowling, 2002) and can help in building customer retention and satisfaction as well as receiving favorable media coverage (Fombrun et al., 2000). The findings of Rose and Thomsen (2004) and Roberts and Dowling (2002) also strengthen this suggestion and they showed that strong reputations indeed have a distinct effect on future financial performance. Favorable corporate reputations have also been found to positively influence the successful organizational relationships with clients (Ewing et al., 1999). Thus, it provides a competitive advantage by giving means for differentiation from the competition (Roper & Fill, 2012, p. 9).

Järventie-Thesleff et al. (2011, p. 203) suggest that corporate branding needs to be understood as a strategic management practice, as something that is ‘done’ in the organization as an important component of its strategy process, rather than as a tool for marketing and communications. Furthermore, corporate branding is also viewed as the management practice that influences organizational members, for example by assisting them to manage with ambiguities in their interactions with various stakeholders (Kärreman & Rylander, 2008). We also acknowledge this view in terms of managing corporate reputation as a part of strategic management practice and that before using it as
a tool for marketing communication, the organization needs to plan the strategic objective for it.

In the marketing and branding literature, corporate reputation is usually associated with the processes of bringing a brand image to consumers through marketing communication channels (Fombrun & Van Riel, 1997). Management and organization literature tread corporate reputation as something that is closely linked to the organization’s identity and culture or ways of working, which emphasizes the idea that these are strongly related to employees’ within and on the organization (Fombrun & Van Riel, 1997). It has been acknowledged that reputation is continuously settled in relation to different stakeholders of the organization including customers, investors, employees, and society – and therefore it is notable that organizations need to host multiple reputations (Barnett et al., 2006). Employees are reflected as a primary stakeholder group in organizations. In terms of corporate reputation, an important managerial goal is to develop, build and safeguard a favorable corporate reputation (Chun, 2005) and one strategy to reach this goal is to engage employees (Gotsi & Wilson, 2001).

It is important to realize that employees can have a strong impact on their social networks how the firm is perceived in the eyes of its members. As corporate reputation is vital for the firm, employees are playing a crucial role when managing it. Croft and Dalton (2003, p. 59) argue that in order to fight for superior performance and enhanced reputation, the employees must be in the front-line. However, different initiatives are essential when trying to gain employee commitment to corporate reputation (Cravens & Oliver, 2006, p. 293). Olmedo-Cifuentes and Martínez-León (2014) argued that since employees are strongly impacting and formulating an overall perception of the firm’s corporate reputation, a strong involved management style and practice are enhancing a better perception of corporate reputation by employees. Therefore, firms must focus on different corporate communication systems, which increase the information available, that employees can increasingly understand what the organization is standing for and develop more positive stakeholder perceptions. This develops the corporate reputation management practices and increases the commitment for reputational activities by employees (Van Riel & Fombrun, 2007, p. 10). Often companies focus too much only on their customer. A crucial management challenge lies in managing corporate reputation under a more comprehensive structure that takes into consideration not only the customers but all the company’s stakeholders (Rokka et al., 2014, p. 805).

Gray & Balmer (1998) have developed a framework (Figure 2) for the operational process for managing corporate reputation and image. The model integrates fundamental components of the process which are corporate identity, corporate communication, corporate image and corporate reputation (Gray & Balmer, 1998, p. 695). This model illustrates the interconnectedness between the components. Authors suggest that these conceptual components should be managed to have two objectives in mind. First, to create the “intended image” for stakeholder perceptions. Secondly, managing the process is to create positive reputation perceptions for the most important stakeholders. This is also supported by (Fombrun & Van Riel, 1997), who see that reputations are a firm’s internal identity that has also external reflection.
Moreover, recent environmental trends have forced firm management to consider the greater importance of corporate identity and corporate communications as part of their corporate reputation management and thinking these functions rather strategic than functional (Balmer & Gray, 1999, p. 171). Whereupon, when investigating corporate identity more closely, Markwick and Fill (1997) also developed a similar framework, which will be presented and further elaborated on the corporate identity management section, which supports the importance of corporate identity and corporate communications in reputation building. Gray and Balmer (1998), as well as Markwick and Fill (1997), suggests that in order to manage corporate reputation, it is essential for managers to understand their corporate identity and corporate communications. Therefore, this research is applying the assumption that corporate reputation management roots from corporate identity and corporate communications, which are closely intervened.

2.1.5 Challenges with Resources in SMEs
This study is limited to only investigate the company in a SMEs setting. When considering the definition of SMEs, it varies from country to country, but commonly used criteria are the number of employees, turnover and net assets (Ayyagari et al., 2003, p. 6). Despite the more specific definition, SMEs are crucial for most of the economies as they employ the most proportion of the workforce (Aga et al., 2015, p. 7). One of the fundamental theories behind this study is earlier discussed RBV, which focuses on a bundle of heterogeneous resources instead of focusing solely on products and the external environment. However, not solely the possession of resources is essential when firms are seeking competitive advantage, but also the dynamic capabilities and ability to develop new resources. Therefore, this view is revealing the challenges related to the nature of SMEs: due to their size, they have more limited resources and capabilities than larger companies (Aragón-Sánchez & Sánchez-Marín, 2005, p. 288). Typically, SMEs have also highly simple systems and processes that enables a higher degree of flexibility, immediate response and low bureaucracy in decision-making (Singh et al., 2008, p. 526).

The notion that changes in the markets have forced companies to rethink their intangible values, applies also for SMEs. However, the problem is that intangible assets identification, valuation, and management involves the degree of risk prevailing the firm as well as restricted resources, which are commonly much higher in SMEs than in terms of larger public companies (Watson, 2010, p. 133). In addition, the high-cost related to different formalized systems and managerial infrastructure has an impact on the fact that these intangible management systems “will therefore not find a suitable home in SME
environment, and will typically be deemed ‘unworkable’ by SME management” (Huggins & Weir, 2007, p. 418). The obtained outcome and cost of investing in intangible assets is uncertain and therefore it likely prevents SMEs to devote significant resources to the identification, valuation and management of intangibles (Watson, 2010, p. 134).

Huggins and Weir (2007, p. 426) reveal that even though many SMEs recognize the value of some intangibles, such as brand, customer relationships and reputation, they do not evaluate or make any actions towards retaining or capturing these resources. Intangibles, in fact, are particularly important for SMEs as it is the entrepreneur’s personal input, which has built the relationships with the firm’s customers, employees, and suppliers (Watson, 2010, p. 132). Thus, SMEs business strategies are highly dependent on the motivation and management skills of the owner-manager (Watson, 2010, p. 137). However, Huggins and Weir (2007, p. 427) point out that suitable management of intangibles, much in the same line with tangible counterparts, cannot be fully exploited. It is suggested that companies, especially SMEs, should adopt more “formal and comprehensive” management of intangible assets to increase their value (Watson, 2010, p. 131).

Moreover, most of the SMEs are involved with outdated technology, labor-intensive and more traditional management practices. However, many times this causes inefficient, lack of information and insufficient internal capabilities (Hashim & Wafa, 2002 as cited in Singh et al., 2008, p. 533). When it comes to applying eBusiness in SME’s, meaning business conducted over the internet, the adoption of it is dependent on the various factors within the organization. Chua, et al., (2009) and Parker and Castleman (2007) have recognized that SMEs are not a homogeneous group, but rather that they vary in numerous ways. One important differentiator is the SME owner-managers backgrounds. Varying age and level of education, attitudes towards eBusiness, their degree of entrepreneurship, orientation to markets and exports, business goals, preferred level for face-to-face interaction with customers, customer orientation, strategic focus, social networks and the level of eBusiness knowledge as well as skills (Derham et al., 2011, p. 2). Additionally, the level of pressure to use eBusiness varies from customers and/or suppliers. Hence, all of the aforementioned dimensions make every SME different and the need for eBusiness is different (Derham et al., 2011, p.2). According to Harris et al. (2008) due to their lack of skills, resources and technical knowledge, SMEs may have difficulty in adopting technology compared to large firms. However, by Web 2.0 SMEs are able to overcome these difficulties.

2.2 Corporate Identity as Antecedent of Reputation

There has been an increasing interest in business literature in defining “business identity”. When looking at the various definitions of the concept, there are several different suggestions for the definition. According to van Riel and Fombrun (2007, p. 67) “Identity” consists of the collection of attributes that members use to describe an organization. Business identity encompasses concepts which are: corporate identity, organizational identity, and visual identity (Balmer, 2001, p. 249). Originally, corporate identity was associated mostly with the visual identity of the company rather than the internal view of the organization (Baker & Balmer, 1997, p. 368). The visual identity entails the company’s logo, symbol, name, type-font or the color scheme (Dowling, 1994, p. 127). Unlike the early views of corporate identity as a visual and graphic form, there
was a shift to focusing on the internal organization, as “…the very heart and soul of an organization” (Downey, 1986, p. 7). Thereafter, corporate identity was increasingly fashion referred to as a “what” of an organization (Baker & Balmer, 1997, p. 366).

Cheney and Christensen (1999) observed that identity was an increasing issue for many companies and that the question of identity, or of what the organization is and stands for, is related to the organizational goals and concerns. Corporate identity can be defined as the way the organization is presented for both internal and external stakeholders (Dowling, 2004, p. 21; Roper & Fill, 2012, p. 35). It consists of organizational design, strategy, culture and philosophy and it is the core being and unique feature of the specific organization (Gray & Balmer, 1998, p. 697). It is also determined by features that describe an organization and answer the question “Who are you?” (Dowling, 2004, p. 21). In essence, corporate identity is the organization’s reality and unique characteristics which are rooted in the behavior of members of the organization. It is integrally related to both internal and external image and reputation through corporate communication. Corporate communication refers to the process through which stakeholders perceive the company’s identity and image and reputation are formed (Gray & Balmer, 1998).

Olins (1978) brings out the difference between organizational- and corporate identity. According to whom, corporate personality (which is also referred to as organizational identity) includes the subject at its deepest level. It is expressed as the soul, the persona, the spirit and the culture of the organization that is projected out of the organization. Organizational identity refers to how members of an organization understand and perceive the organization (Hatch & Schultz, 2000). Corporate identity, on the other hand, is usually defined with the central questions of ‘who we are’ and ‘what we stand for’. This further leads to different values beliefs and aspirations, which are stated in the mission, strategic vision and the corporate culture of the organization (Olins, 1978).

To summarize, corporate identity is concerned with the construction of identity to differentiate a company’s positioning and offerings from competitors in the eyes of important stakeholder groups. Organizational identity is rooted in deep patterns of meaning and sense-making of employees working in the organization and results in shared values, identification and belonging (Cornelissen, 2008, p. 71). Cornelissen suggests in his book “Corporate communications theory and practice” that these concepts should be interpreted seen as “two sides of a coin” when looking at it from organizational practice. He argues this by stating that “developing corporate identity must start with a thorough analysis and understanding of the underlying mission and culture, the existing organizational identity, rather than rushing into communicating what might be thought to be the company’s core values in a superficial manner” (p. 71). For our thesis, we apply Cornelissen’s (2008) view of taking both organizational identity and corporate identity into account as a whole, and not separate concepts. Further on in our thesis we will refer to and discuss the concept as corporate identity.

Downey (1986, p. 7) criticized that identity is still too often not separated from an image and not been recognized for what it is separately. Strathclyde Statement, conducted by International Corporate Identity Group (ICIG) (cited in Balmer & Gray, 1999), also supports the definition where corporate identity is separated as an own entity. Corporate identity is also linked as a strategic issue of a company. The following is stated, “By effectively managing its corporate identity an organization can build understanding and commitment among its diverse stakeholders” (Strathclyde Statement, conducted by
International Corporate Identity Group (ICIG), cited in Balmer & Gray, 1999). Moreover, the importance of corporate identity with “retaining and attracting of employees and customers and to create a sense of purpose and direction, which is obtained via organizations” is recognized. We acknowledge the importance of the management of corporate identity and the link between corporate identity and corporate reputation. For the coming section, we are looking at the management of corporate identity and its relation to corporate reputation.

2.2.1 Corporate Identity Management

Each organization has an identity, whether it is or is not planned or managed intentionally. Many scholars have acknowledged the great strategic importance of managing corporate identity (e.g. Gagliardi, 1986). Many scholars acknowledge the management of corporate identity as a senior manager issue (Balmer, 1995; Balmer & Soenen, 1999; Gagliardi, 1986; van Riel & Balmer, 1997). Senior managers are able to narrow the gap between the desired corporate identity to the reality of the corporate identity, by managing the corporate identity mix, which consists from communications, symbolism, and behavior (van Riel & Balmer, 1997, p. 341). From a strategic point of view, well-managed corporate identity is a powerful source for consolidating activities and disciplines that are crucial to an organization’s success. It is also suggested that change in corporate identity can drive from reputational problems and outdated images, as the dynamic nature of the business environments force companies to change their competitive positions (Olins, 1996 as cited in Gupta, 2016, p. 60). The objective of corporate identity management is to influence and to form a favorable reputation from organization’s stakeholder’s perspective. This, in turn, assists the company to ensure that the stakeholders, for example, buy the organization’s products and services, or work for or to invest in the organization (Balmer, 1995). Notable evidence supports the idea that a favorable corporate reputation offers an organization a competitive advantage (Caves & Porter, 1977; Fombrun & Shanley, 1990).

As mentioned earlier in the corporate reputation section, we are applying Markwick and Fill’s (1997, p. 400-401) framework for managing corporate identity (Figure 3) when conceptualizing the antecedents of corporate reputation. Markwick and Fill (1997, p. 400-401) created a framework for managing corporate identity which consists of five components and they suggest that all of the components are interrelated and all part of a connective whole that together form the corporate identity management process. Additionally, they propose that corporate identity has an important role and integrative function within the corporate and competitive strategy. Corporate identity serves as a central role for strategy content and premise for a corporate communication system.
When managing corporate identity, it is necessary for managers to be able to address questions such as “What is the organization’s purpose?”, “What is the firm’s business?”, “What are the institution’s distinguishing and differentiating traits?” (Balmer, 2017, 1475). Usually, the critical importance of corporate identity comes apparent in situations when organizations encounter a crisis (Balmer & Greyser, 2002) for instance, in the situation of crisis entailing reputational loss, or external crisis (e.g. a hostile takeover bid). These situations trigger the board-level appreciation and management of corporate identity come to the front row (Balmer, 2017, p. 1475). Given the above, it should be understood that corporate identity management should not just crop up as a senior management concern only in situations of prominent organizational change. Continuous corporate identity management should be an ongoing institutional characteristic and constant identity adaptation and change is a prerequisite of organizational life (Balmer, 2017). Thus, corporate identity management and maintenance needs to be ongoing and should be the senior manager's agenda all the times (Balmer, 2017).

### 2.2.2 Desired Identity vs. Actual Identity

Organizations desired identity refers to what the organization seeks to become in visual terms (Kiriakidou & Millward, 2000, p. 49). However, this does not always match with the operational reality of the organization, referred as an actual identity of the organization. With desired organizational identity it is referred to the management’s vision and the corporate mission that constitutes in the heads of the decision makers of the organization (Balmer & Soenen, 1999). Whereas, the actual identity refers to what the organization is (Balmer, 1995), project the very values of the organization (Van Rekom, 1997) and constructs the mentalities and behaviors of the members of the organization (Kiriakidou & Millward, 2000, p. 49). The actual organizational identity is especially essential since both internal and external aspects of the modern organization are important
to merge (Hatch & Schultz, 1997). Furthermore, it is clear that the actual identity starts with the employees (Brønn et al., 2005, p. 888). In contrast to corporate strategy and even corporate culture, the matter of identity lays in the core of what something is, what basically defines that essence (Kiriaikidou & Millward, 2000, p. 50). Albeit this, the concept of corporate identity is mostly been utilized as a marketing tool of how the organizations could present themselves in order to optimize their external relations which will further benefit the organization’s business performance (Kiriaikidou & Millward, 2000, p. 59).

Development of corporate identity starts with the vision and the aims of the top management board, which will be then reflected the corporate identity that they want to acquire (Balmer & Soenen, 1999). The desired identity is then communicated mainly visually through organizational communications to external parties, for gaining favorable idea for the market and promote competitive advantage (Kiriaikidou & Millward, 2000). Kiriaikidou and Millward (2000) emphasize the importance of taking the actual identity of the organization into account when managing corporate identity. It is important to ensure that the values that are actually held, will be the visible expression of an organization’s identity. Although, aligning these identities can be challenging (Brønn et al., 2005, p. 888).

It is rather possible that an organization’s desired identity might conflict with how its identity is perceived. Furthermore, it might conflict with the actual identity, which in turn is not aligned with the communicated identity (Brønn et al., 2005, p. 888). Hence, the visible expressions should reflect the actual values that are held by the organization members and not the desired identity that only management board has idealized. If the two identities do not match and the organization members cannot relate to the expressions of the organization’s identity, it causes a contradiction of the idealized corporate statement presented externally (Kiriaikidou & Millward, 2000). Possible inconsistency between the desired and actual identities induce identity gab, which is a clash between the perception of the identities. Thus, the management of the corporate identity is essential for understanding the organization’s actual identity and that way it is possible to bridge the gap between the desired and actual identity (Kiriaikidou & Millward, 2000).

2.2.3 Components of Corporate Identity
Based on an extensive literature review on the context of corporate identity, we have identified the most important corporate identity components that will be used in our study scope. The three components that stood up in several reviewed literature on the topic of corporate identity are; culture, behavior, and structure (Figure 4.). Accordingly, these components are also included in Melewars’s (2003) corporate identity taxonomy, which is a holistic corporate identity construct that is derived based on a review of the literature. According to which, corporate identity constructs from seven components; communication, design, culture, behavior, structure, industry and strategy (Melewars, 2003, p. 197). From these seven dimensions, we excluded communication since it will be elaborated separately more in the upcoming section, as we have identified it as an essential topic of our study scope and its importance as a part of corporate identity and corporate reputation. We excluded design from our thesis since we are not studying the visual part of the corporate identity in our study. Also, the strategy was excluded since the differentiation and positioning strategy of the company are not included in our study scope. Lastly, the industry was excluded since the focus on the study is on the case
company and its internal and external stakeholders, and the industry is not a part of the study scope.

Figure 4. Components of Corporate Identity, by authors.

Corporate culture is the system of shared beliefs and core values of the organization, which ties to the people within, organizational structure and systems to generate norms (Schein, 1992). Based on Balmer and Shoenen (1997), the most largely acknowledged part of corporate identity construct is an organization’s core value, also known as corporate culture. It plays a crucial role in corporate identity formation (Melewar, 2003, p. 202). Dowling (1986) claimed that corporate culture, which has been described as a company’s shared values, beliefs, and behavior, is strongly interrelated flows of corporate identity and is seen as its consequence. Also, Ambler and Barrow (1996) have highlighted that corporate culture is the values that support the organizational purpose and strategy or corporate identity. It is important to acknowledge a dynamic inter-relationship between culture and communication (Melewar & Karaosmanoglu, 2006, p. 852). Furthermore, it is essential to gain an employee commitment of core values since corporate cultures are usually communicated to stakeholders in some form through employee behavior (Melewar & Karaosmanoglu, 2006, p. 852).

The corporate mission is an important element for corporate philosophy and culture because it pertains the reason for the existence of the company (Shee & Abratt, 1989). The mission is associated with the very profound values and assumptions of a company built by senior management (Melewar & Karaosmanoglu, 2006, p. 855). According to van Riel and Balmer (1997) corporate values deal with the beliefs within the organization and include for example language, rituals and ideologies that guide the company’s culture and finally form the corporate identity.

Corporate behavior is actions based on corporate attitudes, which influence identity. It can be either planned to be consistent with corporate culture or occur by coincidentally or arbitrarily (Schmidt, 1995). It entails differentiated behaviors, which are employee behavior and management behavior. The first one refers to the personnels way of acting and attitudes in their everyday work (Hatch & Schultz, 1997). The latter refers to the way
the top management act, which displays the organization’s central idea to both internal and external audiences (Hatch & Schultz, 1997).

Based on the literature organizational identity is shaped by the fit and the closeness between the organization and the employees, which can be the way they work and participate in the everyday running and development of the organization. Additionally, identity also entails members sense of belonging which is affected by the similarities in personal and corporate standards and priorities, as well as their perceived well-being within the organization and loyalty towards the organization (Topalian, 1984). Identity is supposed to be a common shared understanding of the organization’s evident values and characteristics (Melewar, 2003). Likewise, Van Riel (1997a) defined corporate identity is rooted in the behavior of individual members of the organization, who are expressing the organization’s continuity over time and ‘distinctiveness’ and ‘centrality’.

A corporate structure is the settled pattern of relationships between the component parts of an organization outlining the organization’s communication, control and authority patterns (Melewar & Saunders, 1998) and it is seen as one of the key components of corporate identity (Olins, 1986; Melewar & Saunders, 1998). Organizational structure examines the lines of communication and reporting responsibilities (Melewar & Saunders, 1998). Fundamentally organizational structure entails the degree of centralization and decentralization within the firm (Ind, 1992). In their study, Melewar and Karaosmanoglu (2006, p. 863) found out that the complexity of the structure of the organization effects on the structure and corporate identity and it varies how companies with different hierarchical structures relate the concept of corporate identity. For organizations with complex structures, corporate identity serves as a role in communication with shareholders, investors etc. However, individual brand identities are the requisites of communication with consumers. Moreover, within less sophisticated organizations, the link between culture and structure is emphasized more which implicates an implicit relationship between corporate structure and identity (Melewar & Karaosmanoglu, 2006, p. 863).

To conclude, we compiled a framework (Figure 5) of corporate identity components based on the earlier discussed literature. Corporate culture consists of corporate values, mission, and vision. Whereas, corporate behavior consists of hierarchy and interaction. Lastly, the structure consists of an organizational structure between the business entities. Also, notable is that the aforementioned components are very interconnected and relates to each other. Together these three components build the corporate identity that prevails within the organization.
2.3 Understanding Corporate Communication

Even though corporate communication roots from journalism and PR, eventually communications became a new functional area within the corporation as there was a development that created a need for business-school-trained professionals, who are able to understand the multidimensionality of management (Argenti, 1996, p. 77). Therefore, corporate communication is defined as an instrument used by management that is consciously been used for effective and harmonized internal and external communication, which creates a good base for relationships with different stakeholders (Van Riel 1995, p. 26; Van Riel & Fombrun, 2007, p. 14). In the same fashion, Cornelissen (2008, p. 185) defines corporate communications as a function or process that interconnects important stakeholder groups and the organization in its environment. It is creating a favorable image perceived by different stakeholders that the company is dependent on. This is done by managing a bundle of internal as well as external communication activities (Van Riel & Fombrun, 2007, p. 25). Therefore, corporate communication is basically everything that the company does, from the way telephones are answered to the appearance of employees in public events. In other words, everything that the firm says makes or does is communicating at some level (Gray & Balmer, 1998, p. 699). After all, corporate communication refers to all communication generated by the organization about the firm itself rather than about its products and services (Körver & Van Ruler, 2003).

As already discussed throughout the theoretical framework of corporate reputation and corporate identity, corporate communication strategies are playing a crucial role when managing corporate reputation (Gray & Balmer, 1998; Jo Hatch & Schultz, 1997). The primary task of corporate communication is to sustain, foster and develop and organization’s reputation (Burke, 1998, p. 8). Hence, corporate communication helps to establish a distinguishing and appealing image within different stakeholders, reinforce a corporate brand and develop the reputational capital (Dowling, 1994; Van Riel, 1995; Fombrun, 1996). Malmelin (2007, p. 298) argues that communication is one of the key resources a business can have and refers that communication capital is involved in the all intellectual capital components discussed earlier: human, structural and relational capital. Therefore, corporate communication is highly multidimensional function that is existing internally and externally as well as vertically and horizontally. Meaning that formal and
informal communication within the organization is linking employees internally to each other but also to different layers of management, and to number of different external stakeholders of the organization (Van Riel & Fombrun, 2007).

It is now clear that corporate communication involves internal as well as external communication. In the same fashion, if thinking about organizational identity, it is essential to merge both, internal and external, perceptions of organization (Kiriakidou & Millward, 2000, p. 49) and therefore, to realize that the sum of internal and external communications is part of creating the reputation (Helm, 2007, p. 251). As a result, in order to make the separation between internal and external communications it is suggested that external communication is determined as “public relations, marketing and issues management” (Cheney & Christensen, 2001, p. 231), while internal communication is defined as “employee relations, statement of mission and organizational development (Cheney & Christensen, 2001, p. 231). However, a line between external and internal communications is sometimes thin (Cheney & Christensen, 2001; Hämäläinen & Maula, 2004), but it reminds managers that when the communication (e.g. e-mail) reaches the external audiences, it becomes external communication (Cheney & Christensen, 2001). Further on, internal and external communications are referred as separated dimensions, which are determined by the initial target audience of the communication.

When moving on, Van Riel (1995, p. 13) represent an idea that there are three different classifications of communications in the organizations: management communications, marketing communication and organizational communications. Even though these three principal clusters of task related communication activities are different and serves slightly different purposes, they are still interrelated and supported by each other (Van Riel & Fombrun, 2007, p. 14). Management communications consider the communications that is involved in the management level of the organization and it involves communicating with employees, and “accomplishing work through other people” (Croft & Dalton, 2003, p. 181; Van Riel & Fombrun, 2007, p. 14). It is also commonly regarded as “communication concerning access to resources, including human resources” (Welch & Jackson, 2007, p. 181). Organizational communication on the other hand is all different forms of communication with stakeholders that are independent from the organization, such as media (Abratt & Kleyn, 2012, p. 1055). Croft and Dalton (2003, p. 24) refers to organizational communication also when talking about managerial communications, so they are very much connected. However, Van Riel and Fombrun (2007, p. 20) differentiate organizational communications from managerial communications by describing it by “they encompass public relations, public affairs, investor relations, corporate advertising, environmental communication, and internal communication”. Therefore, it also has some of the features of marketing communications, which is mainly a communication that supports the sales function and is part of creating the brand around the products and services the firm is providing (Van Riel & Fombrun, 2007, p. 19).

Furthermore, the reason for covering both, internal and external communications, in this paper is based on organizational identity (Cheney & Christensen, 2001). Additionally, both, internal and external communication, are part of creating the reputational capital (Helm, 2007, p. 251; Van Riel Fombrun, 2007, p. 261). Thus, this paper will continue by covering both views. Having the scope and purpose of this research in mind in addition to framework of Markwick and Fill (1997), only managerial- and marketing communications will be covered further on. Hence, when combining the view of Cheney
and Christensen (2001), who made the separation as well as interconnection between internal and external communications, and definitions of three different communications (Van Riel & Fombrun, 1995) in the organizations, they will be roughly categorized later on in the way that management communication is part of internal communication, while marketing communication is part of an external communication.

2.3.1 Internal Communication

Goals of Internal Communication

Internal communications are often neglected, even though it is playing a crucial role when shaping the internal perceptions of the corporation (Croft & Dalton, 2003, p. 24). It can be defined as "a set of interactive processes to generate knowledge and allegiance, definitively abandoning a systemic perspective that refers to organizational boundaries" (Mazzei, 2010, p. 230). It can also be seen as all formal as well as informal communication within all levels of the organization (Kalla, 2005, p. 304). However, against the traditional conception of internal communications, it is no longer or solely a "message-targeting" function. It is instead an active encouragement of employees to adopt good and active communication behaviors (Mazzei, 2010, p. 231).

Vos and Schoemaker (1999) suggest that the importance of internal communication is continuously increasing. This is because internal stakeholders must be aware of the values and operations the firm is representing, and these internal stakeholders are in the crucial role of communicating these values to customers. A goal of internal communications within organizations is to reinforce four different aims that are emphasized by Welch and Jackson (2007, p. 188). These four dimensions are the commitment of employees, belonging of employees, awareness, and understanding (Figure 6).

Goals of internal corporate communication:
- Employee commitment by emphasizing internal relationships;
- Support a positive feeling of belonging in employees;
- Increasing the awareness of changes in environment; and
- Develop the understanding of evolving organizational aims that are responding to the environmental change

Commitment can be thought of as the loyalty to the organization and attitude among employees (Welch & Jackson, 2007, p. 188). It is the identification and involvement of the individual with the organization (Ridder, 2004, p. 21). Moreover, corporate communications are an essential role in supporting the sense of belonging in employees (Welch & Jackson, 2007, p. 188) and can be considered as "a we-feeling" that is "allowing people to identify with their organizations" (Cornelissen, 2004, p. 68). This sense of belonging does not necessarily depend on the informal communication with equivalent and close colleagues, but it is highly associated with management's communication (Postmes et al., 2001, p. 240), which will be discussed later in this paper. Overall, people are highly motivated by a sense of belongingness (Baumeister & Leary, 1995, p. 522). Therefore, internal communication has an impact of in how employees identify the organization, their feelings about the organization and attitude towards supporting the organization (Smidts et al., 2001, p. 1052).

Moreover, the importance of communications within the firm increases when the firm is operating in a dynamic environment (Tegarden et al., 2005, p. 92) and thus, the essence
is that firms must develop the *awareness* and *understandings* of the changes in the environment by constant and consistent communications. These changes in macro, micro, and internal environment cause the fact that also organizations must be up for the change (Welch & Jackson, 2007, p. 190). Awareness of changes of external environment and understanding how the organization evolve and creates new aims accordance with these changes are one crucial aspect of internal corporate communications (Welch & Jackson, 2007, p. 190). This includes communicating about opportunities as well as challenges that are faced in the external environment. By this, employees can acquire a necessary understanding of the current changes in the external environment of the organization (Welch & Jackson, 2007, p. 190). All this builds up employee understanding of the strategic direction that the firm desires and develops the employee commitment (Ridder, 2004, p. 20; Tegarden et al., 2005, 92). Overall, the importance of communications within the firm increases when the firm is operating in a dynamic environment (Tegarden et al., 2005).

Figure 6. Internal corporate communication and four goals (Welch & Jackson, 2007)

**Management Communication**

Communication has been found significant at a strategic level of the organization, and it is assumed that; 1) leaders are role models who use communication as an instrument to achieve goals; 2) communicator have an important and natural role in various levels of the organizations and 3) coworkers are aware of the importance of how the organization communicates, both internally and externally, to achieve high credibility (Nothhaft et al., 2016, p. 100). Therefore, it is evident that managers have to be aware of the importance of corporate communications at a strategic level and actively pursue different communication strategies in order to achieve the desired goals. Therefore, this brings up the importance of management communication, which involve how management communicates with middle management and employees.
However, it is also stated that management communication must be relayed on all levels of the organization, not only on top management (Pincus et al., 1991). Therefore, internal communication should be considered throughout the organization (i.e., in every level), even though it is still lead by the top management. Besides, Pincus et al. (1991, p. 28) suggest that communication strategies implemented by the CEO and top management should be involved clearly to objectives set by the organizations. Therefore, there will be a precise alignment between the communication activities and the organizational goals. Overall, top management must understand the function and role of communication in order to establish excellence. Management communication is often taking a form of newsletters, intranets, departmental briefings and emails (Croft & Dalton, 2003, p. 24).

Aligned with earlier discussion, Burke (1998) reveals that a firm's reputation is influenced, it not defined, by the success and productiveness of the corporate communications. It is essential to determinate how what and when firms want to communicate in order to implement communication strategy successfully. Therefore, there must be a functional strategy and guiding principle that states clear objectives and tactics together that establish a link between why and how (Tibble, 1997, p. 357). This is where the role of managers comes evident. As managers have the responsibility to communicate with their employees about the business, including its mission and values (Corrado et al., 1994, p. 39), managers must be aware of the corporate identity as it is the core being of the organization (Gray & Balmer, 1998, p. 697). Top managers must be able to recognize and diagnose the communication problems within the management communication and understand the implementation of appropriate strategies to deal with these (Cornelissen, 2008, p. 10).

### 2.3.2 External Communication

**Goals of External Communication**

External communication is referring to exchange information between a firm and its external audiences (e.g., customers) (Stobbe, 2010, as cited in Johannsen, 2018, p. 184). As communication is two-way information exchange, external communication includes firm-to-customer and customer-to-firm communication. This communication includes advertisements for marketing purposes, sharing relevant information for recruiting employees or building a reputation (Chua & Banarjee, 2013). The objective of external communication is to increase awareness and establish an understanding and favorable perception of the organization among different stakeholders (Dowling, 2006, p. 83). It is also an important role of enhancing organizational identification as it can retain a positive reputation (Van Riel & Fombrun, 2007, p. 77).

External communications are closely interrelated with internal communications as internal communications determined what is communicated externally (Elving, 2010, p. 7). Therefore, according to (Van Riel & Fombrun, 2007, p. 14), earlier discussed management communication is significantly more effective if marketing communication is supporting it. As reputation is based on the perceptions of different stakeholders, communicating and establishing a good relationship with key stakeholders is crucial for creating and maintaining a favorable reputation (Forman & Argenti, 2005; Murray & White, 2005). This creates the importance of marketing communication as its primary purpose is to establish a favorable perception of the brand, product service or a person (Semenik, 2002, p. 7).
Marketing communication
Marketing communication is commonly acknowledged as the promotion of the producer and product to a targeted audience to evolve the desired response. However, marketing communications emerge through all interactions of interested actors (Varey, 2002, p. 10). Corporate marketing activities are also externally visible actions that are undertaken by the company to communicate the company values and goals (Wilson, 2001, p. 353). The shift to customer-focused, market-driven, and integrated marketing communications has emphasized the interactivity and two-way communication with different stakeholders (Duncan & Moriarty, 1998, p. 1). Therefore, communication is not only part of different marketing activities: it is the core of various marketing functions (Duncan & Moriarty, 1998, p. 2). "The public increasingly wants to know about companies that stand behind the brands and products presented to them. Moreover, they use their power to reward "good" companies and punish the "bad" ones" (Lewis, 2001, p. 32).

Marketing communication, in general, has the most significant effect on corporate reputation and is serving the most visible view of the company for external audiences (Körver & Van Ruler, 2003, p. 200). According to the framework of Markwick & Fill (1997, p. 407-408), marketing communication is delivering a task of informing target audiences of corporation's value-added benefits. Studies highlight the fact that companies fail to meet customer expectations due to the differences that occur between messages offered through external communications and the actions done by the personnel (Parasuraman et al., 1985; Parasuraman et al., 1988).

Different social media platforms are seen as a valuable channel for external communication to create positive customer relationships (Hansson et al., 2013; Trainor et al., 2014). Social media has been a dominant channel for business-to-consumer (B2C) companies, but it poses quietly different purposes for business-to-business companies (B2B) (Jussila et al., 2014; Michaelidou et al., 2011). B2B companies have adopted a social media as a communication channel slower than B2C companies, and this can also be seen as the research of social media utilization have been strongly focused on B2B companies (Michaelidou et al., 2011; Jussila et al., 2014). Therefore, while B2C sector is mainly focusing on using social media as a strong sale- and marketing machine, Michaelidou et al., (2011, p. 1156) state that social media in a B2B context is considered more as a channel to build relationships and develop the brand.

The main reason for B2B sector not to adopt social media as their external communication channel is the fact that they have not seen it as a relevant in their industries Michaelidou et al., (2011, p. 1157). This is also the case in this research, where Alpha Group is operating in a mature and traditional industry. Also, in a B2B context, social media utilization has been motivated by enhanced reputation and increased loyalty (Rapp et al., 2013). Also, findings from Jussila et al. (2014, p. 612) reveal that employer branding and recruitment, as well as general communication, were seen as an important takeaway of social media utilization. Therefore, it is important to realize the multidimensional nature of social media. SMEs working in the B2B sector are using social media for different external communications than B2C companies, and when focusing on the scope of this study, social media can offer a great platform to communicate the desired identity to critical stakeholders as well as build more awareness and favorable reputation among external audiences. Findings of Johannsen (2018, p. 206) supports the view that was spreading videos or photos as a part of marketing communication in social media, establish positive and favorable feelings of the organization for external audiences.
2.3.3 Strategic Communication

Corporate communication strategy is defined as a functional strategy that establishes a crucial link between business strategy and the corporate communication function and it supports the implementation of the business and other functional strategies (Steyn, 2004, p. 179). Strategic communication management is defined as fully aligning and integrating the business strategy with communication strategy, involving leaders as the role models for the communication and "holding leaders, managers, and employees accountable for communication." Thus, managing communication should be treated as a process (SCM 2002, as cited in Steyn, 2004, p. 177). This is also supported by Pincus et al. (1991, p. 28), who state that organizational goals and strategies have to be aligned with the communication strategy. This is also aligned with the theory of firm resources an organization's strategy must involve the specification what resources are available in order to achieve the objectives that company wants to communicate and the image it wants to credibly present (Argenti, 1996, p. 89). Therefore, strategic decisions are required to align decisions around strategy, culture, and corporate communication in order to build strong reputations (Abratt & Kley, 2012, p. 1059).

When there is a need for corporate identity change, there is also a need for communication change. Communication change in corporate identity is a strategic function, and it has to be thought carefully. It is clear now that process of reputation building follows the approach from identity through communications to image and thereafter reputation, but Gupta (2016, p. 70) emphasizes the fact that corporate identity change requires "a concurrent change in strategy, culture, and operations" and management must plan a communication strategy that supports this change. This also involves considering all the different stakeholder groups and customizing the communication and communication channels in the way that it reaches the target group in the best possible way.

Tegarden et al. (2005, p. 92) suggest that strategy formulation should be a result of ongoing communication between managers and employees, so it should not be generated only by the top management and then communicated to the lower parts of the organization. This, in the same fashion with the goals of internal communications, would also increase the commitment by the employees as well as prepare the firm better for external changes caused by the dynamic environment. The four dimensions/aims of internal communication that were presented earlier is also a useful tool to plan internal communication strategies (Welch & Jackson, 2007, p. 193).

However, it has to be noted that all communication should be integrated to firm strategy. Even though internal and external communications were covered as distinct topics, they are together, as a united entity, building an overall strategy for communication. Therefore, internal and external communication has to be aligned in order to gain reputational advantages and create a strong corporate brand. As said, "outside has to match with the inside".

2.4 Key Takeaways

The fundamental theory behind this study is the resource-based view, which creates the assumption that resources that are meeting VRIN-criteria can create sustained competitive advantage for firms (Barney, 1991). An extensive literature suggests that intangible resources are the most likely resources to create competitive advantage or the
most probable sources of superior firm performance as they have the potentiality to meet the VRIN-criteria in the first place (Barney, 1991; Galbreath, 2005; Ambrosini & Bowman, 2009; Kamasak, 2017). Therefore, as a corporate reputation has been identified to be one of the most critical strategic a company can possess because of its tacit nature (Hall, 1992). Based on the most fundamental theories and the baseline of the study, we wanted to use corporate reputation as an intangible resource that can gain a sustained competitive advantage for the organization. Therefore, we created a holistic framework that strategizes corporate reputation management.

![Diagram of corporate reputation management](image)

**Figure 7. Strategizing Corporate Reputation Management, by authors.**

The framework initiated from the assumption that corporate identity is representing an antecedent of reputation (Gray & Balmer, 1998; Markwick & Fill, 1997). By applying to existing theories, we identified corporate culture (Dowling, 1986; Balmer & Shoenen 1997; Melewar, 2003), corporate behavior (Topalian, 1984; Melewar, 2003) and corporate structure (Olins, 1986; Melewar & Saunders, 1998; Melewar & Karaosmanoglu, 2006) as the three main components that are creating the corporate identity. Moreover, corporate communication is an important instrument to establish a strong corporate identity within an organization. Both internal and external communication is needed if the organization desires to gain reputational capital by its corporate identity (Dowling, 1994; Van Riel, 1995; Fombrun, 1996; Helm, 2007). All this together creates a holistic process. First, the organization’s corporate identity is emphasized with strong internal communication, especially with management communication. Secondly, by strong internal communications, corporate identity is enhanced, which in turn, will be externally communicated outside with marketing communications to promote the organization itself. In the end, all this hopefully transfers into reputational outcomes and competitive advantage.
3. METHODOLOGY

In this chapter, we will first go through the scientific methodology, which includes the introduction of our methodological choices. We start with an overview of our pre-understandings as researchers. Afterward, we will underline our research approach and chosen research strategy. When moving on to the practical methodology, we will describe our chosen method for data collection, interview structure, and sampling strategy. Moreover, we present the analytical procedures we have undertaken with qualitative data. We also discuss the ethical issues of this research.

3.1 Pre-Understandings

Pre-understanding is referring to people’s knowledge, insights and experience of the engaged research area (Gummesson, 2000, p. 57). It conceptualizes the researcher’s interpretation, yields the way of thinking and composes one’s contribution to the given topic (Gummesson, 2000, p. 57). All this influence on the research as ways the researcher sees things in addition to what is seen when conducting the research (Bryman & Bell, 2003, p. 27). As qualitative assumption is that the author cannot be separated from his knowledge, “who the researcher is”- is equal to his or her preunderstanding (Bradley, 1993, p. 437). Therefore, the impact of an individual’s personality, experience and education on the research is inevitable.

Both of the authors are studying the master program Business Development and Internationalization at Umeå University. Before master studies, Sofia has a bachelor’s degree in finance and also has a strong international experience due to studies in 3 different countries. When it comes to non-academic experience, Sofia has years of experience in accounting in the Alpha Group, which is the company under investigation of this study. Therefore, there is a strong personal interest in the case company and in-depth knowledge and understanding of their operations. Janette-Erika also has strong international experience from an international bachelor’s degree and exchange studies abroad. She has a strong marketing background as a result of her previous studies and non-academic experience. Janette-Erika has working experience in diverse fields from tourism marketing in BusinessOulu to working in an insurance department for one of the largest financial groups in Finland. While Sofia is partly playing the role of an insider in this study, Janette-Erika has an outsider perspective that brings an unbiased point of view to this study.

Therefore, in this case, as one of the authors has strong ties to the company being researched, there are some features of insider action research. In insider action research, the researcher has already absorbed the organization and establish knowledge of the organization from “being an actor in the processes being studied” (Macintosh et al., 2007, p. 336). However, insider action researchers face some disadvantages due to the closeness to data and it has been criticized in the academic world. On the other hand, it also brings some advantages. Some studies argue that insider action research is not only restricted to knowledge, insights and experience of the theory, but also lived experience of the organization and its dynamics. Insiders are adequate to see beyond superficial objectives (Coghlan, 2003; Nielesen & Repstad, 1993). As this study is conducted by “insider and “outsider,” academics also suggests that research projects conducted by a collaboration of external academics and internal practitioners have developed interesting constitutes for future research in organizational and management research (Macintosh et al., 2007, p. 341).
We find it highly beneficial that two authors conduct this thesis with varying backgrounds and experiences in business the field. We can combine knowledge from different disciplines and thus observe different substances from divergent perspectives. Therefore, we believe that our diverse background can contribute to the study in terms of knowledge creation and findings’ interpretation. The choice of subject initially originated from that Sofia has worked for the company in the past and is aware of the problems regarding their intangible asset management. As both authors shared an interest in intangible resources and their management in general, the choice of the topic was easy to designate. We both were highly familiar with the fundamental theory behind this case, research-based view, but it was interesting to adjust it to topics of corporate reputation, identity, and communication, which are highly crucial in nowadays’ marketplace. Janette’s stronger background in marketing helped us to narrow down the topic as it is interrelated to management as well as to marketing. We saw an opportunity to identify the base problem to more profound factors and to create more strategic objective.

3.2 Research Philosophy

Research philosophy implies the development of knowledge and the nature of that knowledge. A research paradigm handles the philosophical framework which should guide the conduction of scientific research (Collis & Hussey, 2014, p. 43). The research paradigm is built upon the researcher’s assumptions and philosophies about the world and the nature of knowledge. Furthermore, every research is seen as interpretive, where beliefs and feelings about the world will guide the researcher in their understanding (Denzin & Lincoln, 2005, p. 22). Different paradigms are existing regarding the view of ontology, epistemology and the choice of methodology (Denzin & Lincoln, 2005, p. 22).

3.2.1 Ontology

Ontology deals with the nature of reality and examined the idea whether social objects are viewed as impartial objects with an external reality actor (Bryman & Bell, 2011, p. 20; Saunders et al., 2012, p. 130). Ontological assumption concerns whether social entities are objects prevalent independently from social actors, or whether they are social constructions generated by the actors within them, which cannot exist by themselves (Bryman & Bell, 2011, p. 20). Ontological assumptions can be divided into two central positions, objectivism and constructionism (Bryman & Bell, 2011, p. 20). Objectivism as an ontological position implies that there is only one view of reality and social reality is external to the researchers’ reach (Collis & Hussey, 2014, p. 47). In this view, pre-existing social phenomena exist independently from social actors. Culture and organizations are viewed as a tangible object in which both organization and culture categories are predetermined (Bryman & Bell, 2003, p. 20).

Whereas, constructionism implies that the phenomena exist because of social actors and their actions (Bryman & Bell, 2011, p. 21); thus, social reality as highly subjective. Since social interactions between entities are constantly evolving, social phenomena are considered to be in a constant state of revision (Saunders et al., 2009, p. 111). The ontological position we adopt is constructionism. Since our study is qualitative, we consider that constructionism is the most appropriate doctrine regarding ontology for our thesis. As research has been grounded studying how corporate identity and communication is carried out in the organization and that way how reputation is managed. The constructionist position supports our desire to explore how the concepts are
continuously being recreated by social actors. Our view on reality is that a phenomenon, such as corporate identity and reputation, exists in an organization because of the social actors within it. Furthermore, there would be no phenomenon to study or observe, in case there were no social actors who created and developed a reputation on an organization. When exploring the managers understanding and behaviors towards a company’s identity and communication, individuals in these firms might see and experience their realities differently and not coherent in a variety of contexts.

### 3.2.2 Epistemology

Epistemology concerns what comprise adequate knowledge in a field of study (Saunders et al., 2012, p. 112). In other words, it is concerned on the researcher’s relationship between the knowledge, if they are a part of knowledge, or whether they are perceived external to it. One of the primary considerations within this philosophical orientation is whether the social world can be studied with the same procedures and measures as the natural sciences or not (Bryman & Bell, 2011, p. 15).

According to positivism belief, the reality is independent of individuals and knowledge is obtained from information that is possible to be verified scientifically is (Collis & Hussey, 2014, p. 44). Furthermore, according to researchers with the philosophy of positivism believe that knowledge can only be obtained by studying observable phenomena and apply many techniques used by natural scientists (Bryman & Bell, 2011, p. 15). Rather than interpreting phenomena on the basis of subjectivity and intuition, positivists use logical reasoning in a way that every rationale is justified by mathematical or logical evidence. On the contrary, according to interpretivism, it is necessary for the researcher to understand the differences between the human’s role as social actors (Saunders et al., 2009, p. 116). Based on the interpretivist view the reality is highly subjective and that it is shaped by individuals’ perceptions. These are bound to interpretation, which implies that the exploration of social phenomena cannot easily be quantified and objectively tested (Collis & Hussey, 2014, p. 45).

Interpretivist philosophy argues that there are differences between studying objects and human beings. Furthermore, the nuances of the complex world of business can be lost if applying methods intended for natural science (Bryman & Bell, 2011, p. 16). When researchers are part of the world of studies, it is not entirely possible to be objective. Moreover, depending on the researcher’s pre-understandings and knowledge, things are interpreted differently (Saunders et al., 2012, p. 137). Hence, concerning our research question, we incorporated elements of the epistemological view of interpretivism. Capturing a multiform phenomenon of the formation of corporate identity and corporate reputation is not possible to measure in numerical means since it is not static but requires an understanding of differentiated views. The view of interpretivism is contrasting the view of positivism and implies that differences among individuals exist and researchers need to understand the subjective meaning behind their actions (Bryman & Bell, 2011, p. 16-17), which also goes accordingly with the subjective view of constructivism.

### 3.2.3 Axiology

Axiology is “a branch of philosophy that studies judgments about the role of values” (Saunders et al., 2009, p. 116). Heron (1996) suggests that our values are the guiding force of all human action. Values can play a crucial role in the research outcome since values reflect the beliefs or the feelings of a researcher (Bryman & Bell, 2003, p. 27). Researchers values, the assumptions of prior knowledge, experience, attitudes and
perceptions might influence both the way on how researcher perceive things, as well as what is seen under the investigation in research (Bryman & Bell, 2003, p. 27). Heron (1996) further argues that researchers demonstrate axiological skill by being able to articulate their values as a ground for judgments made about what research they are conducting and how they are going to conduct it. We acknowledge that our values, as researchers, will have a part since we are incorporated in the process of the research. Our values have affected the choice made during the research and the choices since the beginning when creating the research topic which was made based on our interests and values. We are displaying our axiological awareness and credibility of the research by explaining our judgment made while progressing with our research since we are aware of the role of our values in the research process. We realize that it is extremely difficult to have a completely unbiased interpretive approach to the research. Furthermore, choices made are elaborated, shedding light to the judgments behind them in order to have credibility for our research.

3.3 Research Approach

In this study, several theories and literature are presented in order to contextualize and draw an overall picture of the topic. However, there are two different approaches, deductive and inductive, which are defining how to conduct the research when it comes to connecting the theory and findings (Saunders et al., 2009, p. 489). While deductive approach departs from previous theories and is setting hypotheses that are subject to tests (Bryman & Bell, 2007, p. 11), an inductive approach the theories emerge during the data collection and analysis (Saunders et al., 2009, p. 490). In other words, the deductive approach involves hypothesis formulation and allows the findings to be measured in quantitative means (Saunders et al., 2007, p. 118). Therefore, the inductive approach is often associated with qualitative research and its analysis (Thomas, 2006, p. 246). Accordingly, it is more suitable for a more profound understanding of an event in a specific context (Saunders et al., 2007, p. 119).

In order to draw conclusions on how to gain an in-depth understanding of the prevailing corporate identity and corporate communications in SME and how to utilize these as an antecedent of corporate reputation, an inductive approach was applied. According to Thomas (2006, p. 238), the purpose of inductive approach is to summarize the raw textual data into briefer format, create clear relationships between the research objectives and the findings derived from the raw data and to come up with the framework of the underlying structure of processes that are prominent in the raw data. Therefore, this study does not aim to test any hypotheses or presume any relationships between variables, but rather tries to gain a deeper understanding of the research subject in real life context. When considering the research approach and research objective, findings are not generalizable, but they can contribute a better understanding of the event.

3.4 Research Design

The research design handles the methods on how to plan and execute the research. Thus, philosophical standpoints cannot be separated from the execution of the research and it flows from these assumptions (Long et al., 2000, p. 191). On this basis, the philosophical view adopted will influence the research design. The research design also aims to project the objectives brought both the research question and the research purpose. Similarly,
methods of data collection and ethical issues (Saunders et al., 2009, p. 137). For our research strategy, the justifications are based on preceding judgments.

3.4.1 Types of Research Purpose
There are three types of research purpose: exploratory, descriptive and explanatory (Saunders et al., 2009, p. 139). These three research purposes are not permanent within time and might evolve over the research process (Saunders et al., 2009, p. 139). When having a closer look at the research purposes, in exploratory studies researchers aim to ask questions which purpose is to bring in new insight on the phenomenon (Saunders et al., 2009, p. 139). Thus, if some specific phenomenon needs to be further studied and clarified, an exploratory study is the most appropriate choice. Exploratory research consists of a few elements. These are reviewing the literature and approaching experts of the given subject of the area in the form of interviews or/and conducting focus groups interviews (Saunders et al., 2009, p. 140). As new data may emerge along the way, from which new insights can be further developed, exploratory research can be characterized as flexible and adaptable during the course of research (Saunders et al., 2009, p. 139). On the other hand, descriptive studies aim to depict the accuracy of individual’s profiles, situations and events (Saunders et al., 2009, p.140). For descriptive studies, there should be a clear picture of the phenomenon for the researchers already before the data collection. This implies that well-established groundwork on the subject under investigation should already exist. Lastly, explanatory studies can be defined as a study that aims to establish a relationship between variables (Saunders et al., 2009, p. 140). Thus, explanatory studies are usually drawn from quantitative methods and are less flexible related to adaptation to researched data.

Considering our research approach and having reviewed different definitions of research purposes, we have identified that exploratory research fits the best to our study purpose. Researchers often use exploratory research method to find new information, within the field. Accordingly, we want to gain more in-depth knowledge on the phenomenon of managing corporate reputation by implementing a strategy to communicate the corporate identity. Moreover, we have initiated our study to different frameworks of corporate reputation, corporate identity and corporate communications, so the interconnections of these topics were already acknowledged. However, we are seeking to study this phenomenon even deeper and from a more practical viewpoint in a less structured environment with limited resources. Also, Gummesson (1988, p. 75-76) views exploratory research methods as a suitable option to study processes within existing companies. By exploratory approach, we, as researchers, can gain important insights and have an input for future studies. Moreover, since we are not studying the relationship between variables, (as in the explanatory studies), nor we aim to describe the phenomenon with an already existing solid knowledge about (as in the descriptive study), we are able to exclude explanatory and descriptive studies.

3.4.2 Research Strategy
In order to answer the research question, the research strategy must be developed. By this, it is possible to plan how the research is going to answer the research questions. Addition to this, philosophical considerations, available time and existing knowledge, must be evaluated when choosing the correct strategy (Saunders et al., 2012, p.173). Furthermore, the researcher must bear in mind practical feasibility. Bryman and Bell (2011, p. 35) highlight that it is essential to consider the practical implications when deciding upon what research strategy will be used for the thesis in question.
When considering the design of the research, two main types of research design exists that can be used to conduct business research. Qualitative and quantitative (Saunders et al., 2012, p. 159-161). Based on the connection in concern with theory and research, coupled with ontological consideration and epistemological assumptions, there is a difference between the designs (Bryman & Bell, 2011, p. 26). In general, qualitative research is more commonly used when generating new theory with an inductive research approach (Bryman & Bell, 2011, p. 387). Additionally, qualitative research is centralized around words and their meanings (Saunders et al., 2012, p. 163) and attempts to understand the human experience (Bradley, 1993, p. 434). However, one needs to keep in mind that qualitative research has been criticized for being too subjective and difficult to replicate, because of its unstructured nature and there are no standard procedures to follow (Bryman & Bell, 2011, p. 408). Thus, it is difficult to generalize the findings beyond the study context. On the contrary, in quantitative research, which is a more numerical method, a theory is the starting point, and hypotheses are drawn from it. Moreover, the approach between theory and research is deductive (Saunders et al., 2012, p. 162). In quantitative research, it is possible to measure the results and generalize the results for other populations (Bryman & Bell, 2011, p. 163-165).

The initial discussion with Alpha Group regarding our study was for us to conduct research on their current corporate identity and communication practices when it comes to corporate reputation management. After taking the academic implications into consideration and reasoning mentioned above, our thesis research is conducted through qualitative methods. The qualitative method was chosen to be appropriate and useful for Alpha Group because in this case, quantitative methods would not have offered a similar depth of understanding of the phenomena. We aim to help them to manage their corporate reputation, by understanding their corporate identity and applying appropriate internal and external communication practices. Since qualitative research data is collected from the empirical world, this data can then be utilized as conclusions about the empirical world (Bradley, 1993, p. 439).

3.4.3 Literature Search and Source Criticism
For the purpose of gaining further knowledge and retain relevant theories which support the research of the topic we chose, we undergo literature review. A literature review serves as an important part of the research process for multiple reasons. First, by reviewing the literature, it is possible to find out what is already studied on the subject and what kind of focus points of the earlier research there is already and what kind of methodologies they have been used. Moreover, it further serves as a guideline to avoid potential errors and pitfalls or from previous research. Hence, it helps to find appropriate methodologies for the study. Lastly, it is possible to identify a research gap (Hart, 2001, p. 3). Thus, it is essential to make a comprehensive literature review to discover which theories are important and relevant (Ghauri & Grønhaug, 2010, p. 50).

We started the literature review with a broad topic to understand the backgrounds of the theory, to more specific and more narrowed scope. We started the review from RBV which serves as a starting point of understanding the importance of resources and their competitive advantage for companies. This led us to focus on intangible resources and then specify intangible resources to corporate reputation. Moreover, we had to keep in mind that our study is exploratory, meaning that a literature review was conducted before
the study was done. It is important to bear in mind that a good judgment of literature is important. Thus, the judgment of the relevancy of the literature for the purpose and benefit of the research was important (Hart, 1998, p.19). For the sources used in the literature review, we chose to use predominantly peer-reviewed scientific articles, and for the method chapter, we used books that are written by notable researchers. The sources used in the literature review were mainly collected from online databases such as Umeå University Library web search, Google Scholar, EBSCO, Emerald Insight, Sage Journals, Wiley. Additionally, physical books from the Umeå University Library. Also, magazines Economist and Harvard Business Review were reviewed.

There are some assumptions for criticizing theories. Johansson-Lindfors (1993, p. 88) suggests that these principles are newness and empirical ground. The concept of newness is considering the currency of the literature and therefore older sources can be used only in the case when more current literature is not available (Johansson-Lindfors, 1993, p. 89). However, the principle of empirical ground is considering the usage of primary sources. Therefore, secondary sources must be left minimal in order to avoid misinterpretation of the original meaning (Johansson-Lindfors, 1993, p. 89). We based our search for literature on two factors: going from fundamental to more recent and specific articles. We made this choice to cover all the most fundamental and important articles in the field. Also, we wanted to search for the more recent articles in order to get the newest insights into the topics and fulfill the newness principle. When searching for the literature, the general rule was mainly focused on those sources that we consider to be most relevant for our study scope. In order to be sure that we avoid biases on interpretation by other authors and meet the empirical ground, the primary source of information was always searched.

When searching the data to gather sources for our study, the keywords were carefully thought through. We searched the sources with keywords:

**RBV, resource management, intangible resources, intangible resource management, corporate reputation, reputation management, SMEs and resources, corporate identity, corporate communication and management communication, marketing communication.**

After conducting an extensive analysis of the previous research made in the field of our study, it was possible for us as a research of the topic to assess what is already known on the phenomenon of intangible resource management and reputation as a resource. After this, it was possible for us to narrow down the scope of our research, point out the research gaps, generate our research question as well as, select the appropriate theories to use applicable to our chosen subject.

### 3.5 Sampling

#### 3.5.1 Sampling Technique

There are two sampling techniques, probability sampling and non-probability sampling (Saunders et al., 2009, p. 213). In general, probability sampling is associated with survey and experimental research approaches and thus, “probability of each case being selected from the population is known and is usually equal for all cases” (Saunders et al., 2009, p. 213). In other words, the answers acquired from a randomly selected sample, is representing the answers of the overall population and are generalizable (Lapan et al.,
When it comes to non-probability sampling, it is impossible to address objectives that forces to make statistical reasoning about the population’s characteristics and thus, findings are not statistically generalizable (Saunders et al., 2009, p. 213). Therefore, the researcher selects the appropriate sample based on availability and accessibility (Bryman & Bell, 2011, p. 190). Participants are selected since they possess specific characteristics, which are relevant for the specified topic and are likely to contribute comprehensive information (Patton, 2002, p. 46; Ritchie et al., 2003, p. 78).

In order to answer the underlying research question and meet the objectives of the research, sometimes it is necessary to undertake an in-depth study, which focuses on a specific case selected for a particular purpose (Saunders et al., 2009, p. 233). This is also the case in this study, as Alpha Group is representing an exploratory case of corporate reputation management and non-probability sampling is used. Due to the nature of this study, we cannot make a statistical generalization about the findings of the phenomenon. Within the non-probable sampling, there are several different sampling techniques, including purposive, quota, snowball, self-selection and convenience sampling (Saunders et al., 2009, p. 235). In this study, purposive sampling is used as it is the most appropriate one when considering the nature of the study. Purposive sampling means that authors use their own judgment to select the participants, which are the best to answer the research question(s) and help to achieve the objective of the study (Saunders et al., 2009, p. 237; Etikan et al., 2016, p. 4). Therefore, it means that the individuals that are most familiar with the phenomenon under investigation, are the selected participants (Saunders et al., 2009, p. 235).

We decided to choose a company that needs an improvement in their intangible resource management. Therefore, Alpha Group was chosen because it is representing a SME that is knowingly lacking a proper intangible resource management and it desires to develop its communications in the future to gain reputational outcomes. The idea is not to investigate a textbook example of well managed corporate reputation, but rather investigate an organization that needs an improvement in that. Therefore, it is interesting to see how existing theories in the field can be applied to a real-life example.

When reading the literature of corporate identity and corporate communication, it was evident that managers are responsible for implementing strategies that support these activities. Consequently, in the initial interview of Alpha Group’s management members, they offered us a list of managers that would be interested in participating and have some responsibilities related to our topics, such as communications. From our viewpoint, in order to gain deeper knowledge of the phenomenon, we included both, top- and middle management to our research. This provides us strategy point of view as well as the implementing point of view, as middle managers are important touch point between the top management and regular employees. Figure 8 below is representing the organizational structure of Alpha Group. It establishes an understanding of how the organization is structured in terms of decision making and location.
3.5.2 Sample Overview

Saunders et al. (2012, p. 217) emphasize the importance of careful preparation of the research idea before approaching the company under investigation. Even though one of the authors had close ties to the company, we contacted the company by a telephone call and prepared a document beforehand where we presented our research idea more precisely. This was also supported by Saunders et al. (2009, p. 179). In order to draw an overall picture of Alpha Group and its existing problem, preliminary Skype-meeting was conducted with few managers before the start of the thesis. From this briefing, we were able to narrow down the research problem that is aligned with the company wishes and authors’ own interest. Also, it helped to create a better picture of potential respondents’ background and select appropriate interviewees that exploit the purpose the best. As discussed earlier, our intention is to cover both top- and middle management. However, we also thought that respondents must be interested in this topic and be responsible in areas that are crucial for the topic under investigation (e.g., marketing).

In order to gain a deeper understanding of the prevailing situation of corporate identity and communications as well as make recommendations for the organization, an internal perspective of the company had to be considered. Therefore, the sample was collected within the organization. Moreover, management is in an essential role in managing reputation. As reputation must be managed internally, CEO and Board are responsible of setting the framework for corporate identity and reputation as well as ensure that they are maintained (Srivastava, 2011, p. 340; Dowling, 2004, p. 25). Therefore, all respondents were from the top and middle management of Alpha Group as literature is supporting the selection of management when considering internal corporate reputation management. The sample is quite homogenous as all of the participants, except HR-manager, are engineers, and this also describes the structure of the organization.

*Located in Middle-Finland

Figure 8. Organizational Structure of Alpha Group.
All respondents were interviewed by face to face interviews, except two respondents (Factory Manager and Project Manager), who were not able to come on the scene due to practicalities. The following table 1 is representing an overview of the selected interviews participants. The table also includes the interviewee’s position in the firm, the responsibility area, entity, location of the office, duration of the interview and interview setting.

Table 1. Overview of the respondents.

<table>
<thead>
<tr>
<th>Participant</th>
<th>Responsibility</th>
<th>Entity</th>
<th>Location</th>
<th>Time in the company</th>
<th>Interview duration</th>
<th>Interview Setting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group CEO Alpha</td>
<td>President and CEO Sales &amp; Projects</td>
<td>Alpha Group</td>
<td>Oulu, HQ</td>
<td>Founder</td>
<td>13 years</td>
<td>46 minutes</td>
</tr>
<tr>
<td>Director</td>
<td>Alpha Oy</td>
<td>Middle-Finland</td>
<td></td>
<td></td>
<td></td>
<td>Face-to-face</td>
</tr>
<tr>
<td>Pipe CEO Service</td>
<td>Running Pipe Operations Vice President and</td>
<td>Alpha Pipe</td>
<td>Oulu, HQ</td>
<td>16 years</td>
<td>40 minutes</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>Director</td>
<td>Site Manager of Service</td>
<td>Oy Alpha Service</td>
<td>Middle-Finland</td>
<td>18 years</td>
<td>43 minutes</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>Project Manager</td>
<td>Project design</td>
<td>Alpha Service</td>
<td>Oulu, HQ</td>
<td>10 years</td>
<td>51 minutes</td>
<td>Skype</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Oy Middle-Finland</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factory Manager</td>
<td>Head of unit Process pipes</td>
<td>Alpha Rolls</td>
<td>Middle-Finland</td>
<td>11 years</td>
<td>34 minutes</td>
<td>Skype</td>
</tr>
<tr>
<td>Project Engineer</td>
<td></td>
<td>Oy Alpha Pipe</td>
<td>Oulu, HQ</td>
<td>1.5 years</td>
<td>50 minutes</td>
<td>Face-to-face</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Oy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H&amp;R Manager</td>
<td>Human Resources</td>
<td>Alpha Pipe</td>
<td>Oulu, HQ</td>
<td>4 years</td>
<td>53 minutes</td>
<td>Face-to-face</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Oy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.6 Qualitative Data Collection

In order to be able to gain a deeper knowledge of the underlying research question, a qualitative research approach should be applied. Qualitative research endeavors to understand the experience of others (Bradley, 1993, p. 434) and “allows the researcher to explore and better understand the complexity of a phenomenon” (Williams, 2007, p. 70). The advantage of qualitative research is to gain a deeper knowledge of reality, while the criticism is laying around the lack of generalization (Sayer, 2000, p. 2). However, qualitative research prefers research structure that allows loose data collection methods (Bryman & Bell, 2003, p. 298) and when considered our research topic, a certain amount of flexibility is needed in order to find comprehensive answers and perspectives of the company managers about their corporate identity, communication and corporate reputation.

Qualitative research exploits a data collection method that generates or uses non-numerical data, such as interviews (Saunders et al., 2009, p. 151). Qualitative interviews help to understand and interpret a respondent’s perception of the phenomenon (Williams, 2007, p. 69). Interviews as a method enable more comprehensive and fuller bundle of information about how individuals perceive the world and create an opportunity to a researcher to grasp different signs that are related to the specific phenomenon (Magnusson & Marecek, 2015, p. 6). All this lead “to identifying common themes in people’s perceptions of their experiences” (Williams, 2007, p. 69). Therefore, as already discussed earlier in the research gap, this study is not seeking to conceptualize or find
interrelations of topics under investigation, which has already been done in earlier studies. Rather, it tries to establish an in-depth understanding of the phenomenon and create an overall image of the reality.

### 3.6.1 Interview Structure

There are different approaches to conduct an interview, unstructured, semi-structured and structured (Bryman & Bell, 2003, p. 343). The interview structure depends on what type of questions are asked (Saunders et al., 2012, p. 374). Unstructured interviews are open conversations that are conducted in a way that questions allow the interviewees to respond to the questions extremely freely (Bryman & Bell, 2003, p. 343) and it is expected to give the perspective of the respondent rather than generalization over a population (Bryman & Bell, 2011, p. 204). Therefore, unstructured interviews are highly used in qualitative research (Bradley, 1993, p. 432). In contrast, structured interviews are seeking to find very generalized findings and the questions are kept exactly the same regardless of the respondent. Therefore, these interviews must follow strict guidelines in order to keep the answers unbiased (Saunders et al., 2009, p. 320; Bryman & Bell, 2011, p. 204). Between unstructured and structured interviews, there is a semi-structured interview. Semi-structured interview approach is structured to some extent, but it still enables in-depth conversation that has an open end, just like in unstructured interviews (Bryman & Bell, 2011, p. 466; Flick et al., 2004, p. 253).

The interviews of this research are conducted by using personal semi-structured interview approach, which means that interviews are made in person and preliminary interview guide will be prepared but the interviewer is allowed to ask additional questions as well as pass some questions during the interview (Saunders et al. 2009, p. 320). Semi-structured approach and the interview guide used in interviews that certain topics and themes are covered (Saunders et al., 2012, p. 375) and that the interviews are comparable when analyzing the answers (Bryman & Bell, 2003, p. 346). Therefore, this interview approach allows the research to the desired direction. Predetermined themes and questions are important in this study as they ensure that findings can be connected to the theory. When thinking the nature of this study, answers to pre-determined questions are more likely to rise additional questions that are providing even more fruitful insights to the topic. Semi-structured interviews allow us, the researchers, to ask additional questions that we believe that would contribute to our study. When thinking about corporate identity, it is very multi-sided concept. There is a need for more open-ended questions and discussion in order to find out the reality of it in the organization.

### 3.6.2 Interview Guide

In order to ensure that all the necessary topics and aspects were covered in the interviews, an interview guide was developed (Appendix 1). The interview guide follows the structure of our theoretical framework, which helps us to find the connections between theory and qualitative data. This was essential to answer the research question. We decided to do two separated interview guides for the top managers and for the middle managers. The reason behind the decision is to make a distinction between a strategic perspective (top managers) and implementation perspective (middle managers). This would reveal if strategic decisions differ from the actual implementation. Therefore, we find it interesting to see if there are any inconsistencies between different levels of management.
Our interview guide starts with the background questions of the responsibility area of the respondent and the time served in the company. This aims to give us an overall picture of respondents and their viewpoint to the questions. After the background questions, the interview guide continues by the understanding of the firm resources. This helps us to identify the prevalent situation in the company, when it comes to resource management as well as a corporate reputation as the intangible resource. As the study is about corporate reputation management, it is crucial to know how the managers see the reputation of Alpha Group and where this possible reputation is based on. When considering this study in SMEs perspective, where the resources are scarce, it is essential to see how Alpha’s resource capabilities are affecting their operations and see how they perceive their resource allocation. This also enables us, the researchers, to understand their competitive advantage and current corporate reputation better. Therefore, we believe that firm resources are good starting topic for the interview guide.

Followed by the firm resources, we want to know how the managers perceive Alpha’s corporate identity and how does the top management emphasize it. Here the different interview guides for top- and middle managers come apparent. From the top managers, we want to know how they emphasize corporate identity, while from the middle managers we seek to know how they perceive it. We wanted to initiate the corporate identity topic by this broader question because it describes us the prevalent situation of the organization’s corporate identity. Every organization has a corporate identity, but in the best situation it is actively managed and implemented so that everyone in the organization can identify to it. These answers help us to understand the corporate identity and how well the organization has been able to emphasize it. In addition, as our idea, based on theory and framework of Grey and Balmer (1998) as well as Markwick (1997), is to use the corporate identity as an antecedent to manage corporate reputation, we want to know how the managers experience the connection. This also provides us a different viewpoint on how the managers in Alpha Group perceive the importance of corporate identity in reputation management.

The next theme is the identity components, which represent a more detailed view of the corporate identity. In this theme, we did not make any distinction in the questions between the top- and middle management. This is an essential aspect when identifying the corporate identity in the organization as it answers to the important question “Who are we?” (Kiriakidou & Millward, 2000, p. 50). Based on the literature, these questions reveal the actual corporate identity of the organization. As identity is built over time and every organization has one, but it has to be actively managed and communicated in order to reflect it as an improvement in reputation. Therefore, identifying Alpha Group’s prevalent corporate culture, behavior and structure help us to determine what kind of organization is Alpha Group, and how it should be emphasized more precisely in the future.

Following the corporate identity, we want to approach corporate communications first by internal communication, which is a strong determinant of how corporate identity is emphasized and perceived internally. From the top managers, we desire to know the strategy behind their communication strategy. When asking about the organization’s current practices for internal communication from middle managers, it will reveal the actual situation of Alpha Group’s internal communication activities. This is crucial because it is managers' responsibility to communicate with the employees about the organization’s mission and values, in other words, the core being of the organization.
(Corrado et al., 1994, p. 39). Therefore, questions regarding internal communications reveal how what and when the organization communicates as well as it reveals inconsistencies between strategy and implementation. We also want to know managers’ point of view how they see that internal communication can be used for emphasizing corporate identity. This would reveal how they experience the connection and if their view supports the theory behind this research.

Last, we end the interview guide by questions related to external communication. This section also helps us to understand how the prevalent external communication practices in Alpha Group are. Again, from the top managers, we seek to find the strategy behind external communication, while middle managers would reveal how it is done. As the purpose of external communications is to establish an understanding and a favorable perception of the organization among different stakeholders (Dowling, 2006, p. 83), it is interesting to see how Alpha Group actively use external communication to shape the perceptions of the organization. This involves external communication strategies set by the top management as well as different channels and tools used by the organization.

3.7 Qualitative Data Analysis

3.7.1 Preparing Qualitative Data

We conducted 8 interviews which resulted in approximately 6 hours of the recorded voice. Ritchie et al. (2014, p. 172) recommend recording the interviews when conducting qualitative research, which is something we have decided to do. Ritchie et al. (2014, p. 172) explain the process of the first recording, and after that transcribing the interviews, to increase the interviewers’ focus during the interviews, since the distracting activity of taking notes is not needed. Regarding the interviews, all the interviews were recorded and transcribed right after each the interview took place. We considered it essential to do it at this point of the process since it limits the bias in memorizing the interview and we could capture the setting and the most critical aspects of the interview. Additionally, the first interpretation of the interview was made right after the interview. Moreover, all from non-verbal communication to changes in the tone of voices of the participants were noted, in order to capture every nuances and emotion of the interview for later interpretation of data analysis. When further analyzing the interviews, gathered data was organized based on the research questions. What is notable when transcribing the interviews are that the interviews were conducted in the Finnish language, so there is a risk that a direct translation could create a bias of the data. In order to address this risk, the interview was transcribed first word-by-word.

3.7.2 Analytical Procedure

Bryman and Bell (2011, p. 571) highlight that qualitative research generates a vast amount of data. Consequently, there are only a few general procedures accepted to analyze this data (Bryman & Bell, 2011, p. 571). Furthermore, Ritchie et al. (2014, p. 274-275) explain the need to base the qualitative data analysis on the research’s nature, and that different elements such as the research question, research approach, and research design need to be considering when deciding on a method of analysis. Regards to our study, we decided to apply thematic data analysis, since we find it helps us to get good interpretation of the data.
Thematic analysis is a qualitative method for uncovering a collection of themes, ‘some level of patterned response or meaning’ (Braun & Clarke, 2006, p. 82). Thematic analysis assists to systematically identify and organize as well as, offer insight into patterns on various themes throughout a data set (Braun et al., 2019, p. 57). This enables the researcher to make sense of collective or shared meanings of and experiences. Thus, this way it is possible to identify what is familiar to the way the topic is talked about and make sense of the similarities. With thematic analysis, it is possible to identify the important aspects in relation to the specific topic and research question (Braun et al., 2019, p. 57). Since thematic analysis can be applied to the majority of qualitative research and it is a neutral type of analysis, which is based on coding themes (Bryman & Bell, 2011, p. 571-572), as well as its accessibility and flexibility (Braun et al., 2019, p. 58) we chose to apply it to our study.

When analyzing and coding inductive data, bottom-up approach is taken which is driven by what is in the data. In other words, codes and themes are drawn from the data itself. Thus, when doing the analysis when data is mapped, it finely matches the content (Braun & Clarke 2006, p. 58). However, it is rarely the case that when analyzing the data, it is purely inductive, since the researcher is not able to completely ignore the semantic matter of the data while coding specific theoretical construct and researcher usually bring something to the data (Braun & Clarke, 2006, p. 58). Importantly, in order to conduct high-quality thematic analysis, a researcher must have a clear understanding on where she or he stands compared to these possible options, reasoning for taking choices they decide to so, as well as consistent utilization of those choices along with the analysis (Braun & Clarke, 2006, p. 58). The thematic analysis consists of six steps: **Familiarizing yourself with the data, generating initial codes, searching for themes, reviewing potential themes, defining and naming themes and producing the report**, which was applied in our data analysis and will be presented next.

We started analyzing the gathered data with familiarizing ourselves with the data by reading and rereading textual data, in our case transcripts of the interviews, also listening to the audio recordings that we recorded if needed. After this we made notes on the data, highlighting the most interesting findings. While reading the data, we kept in mind that must be done analytically and critically. To help to understand the data, Braun and Clarke (2006, p. 61) advice that researcher can ask questions like “How does this participant make sense of their experiences?” or “What assumptions do they make in interpreting their experiences?” “What kind of world is revealed through their accounts?”

Phase two begins after you have familiarized yourself with the data, and the first list of the interesting ideas that were found in the data that are made. From this on, we could already draw our initial codes from the data. Coding is organizing data to meaningful groups (Tuckett, 2005). These codes were words and adjectives that came out frequently and purpose of this phase is to show the features of the data that has been found interesting for our research. This refers to ‘the most basic segment, or element, of the raw data or information that can be assessed in a meaningful way regarding the phenomenon’ (Boyatzis, 1998, p. 61). We could see already in this part some words that were brought up frequently during our interview, such as trustworthiness. The second phase involved arranging different codes into possible themes. Braun and Clarke (2006, p. 89) advice that visual presentations can be helpful for sorting the codes to themes, which could be tables or mind-maps. We compiled a listing (see appendix 2), which consisted of the overarching themes in our interview which were resources, corporate identity, components of
corporate identity, internal communication and external communication. Under these themes, we had second level themes, where the subject was divided even more detailed findings. Here we assembled, for example, the word, expertise under the corporate reputation, which was the second level theme for resources and another aspect that was found. On this stage, the significance of the themes will start to make sense (Braun & Clarke, 2006, p. 90).

The next phase consists of reviewing and refining the themes into levels. Level one indicates that all the assembled extract for every theme needs to be read and decided if they formalize a coherent pattern. We reflected the validity of individual themes in relation to the whole data set. At this point, it became visible from our listing of themes to pick up the similarities and consistencies within the interviewee's answers which made the data analysis easier and it was possible to recognize the patterns of the answers and how different themes related to each other, for example, findings from corporate identity and communication added up.

From this on, we could define and further process the themes that will be presented for the analysis and determine what consideration of the data each theme present. Moreover, we could identify what is of engagement on them and why. At this point, we established an understanding of the interrelationship between the main themes. At this point researcher already has a “story” of each theme what they imply and how do they fit the overall “story” that is told of the data (Braun & Clarke, 2006, p. 92). Based on the data analyzed this far we were able to generalize findings from the data and make conclusions from our findings. In the final phase, we had a full understanding of our data and the final analysis could be made, after which we did the write-up of the report. This write up will be further presented in the empirical findings section.

3.8 Ethical Considerations

It is highly important to raise the ethical considerations in order to ensure the quality of the study and to avoid unethical execution during the conduction of research (Bryman & Bell, 2011, p. 128). As in every research study, authors must be aware of the ethical aspects involved in the development of research. Ethics is concerned with the moral values or principles that constitute the basis for the rules of conducting research (Collis & Hussey, 2014, p. 30). Moreover, ethics serve also as a guideline of the way the findings are reported (Collis & Hussey, 2014, p. 30). Throughout the process of conducting this study, we have applied ethical issues as an important guideline to reduce unethical conduct and made sure to perform ethically in each step of the process. In the upcoming section, the most important topics related to the ethics in research are presented and our arguments of following these ethical guidelines are given.

The following guidelines were followed during our research. (1) participants and people affected by the research must be respected and trust needs to be established between them and researchers (Saunders et al., 2012, p. 231); (2) It is the researchers’ responsibility to cautiously evaluate the risk of harm to research participants (Bryman and Bell, 2011, p. 128); (3) confidentiality and anonymity of respondents should be respected throughout the research process (Bryman & Bell, 2011, p. 129); and (4) participants should not be lied to or cheated about the study (Bryman, 2012, p. 135).
We wanted to ensure not to cause any harm to the participants of the interviews. We ensured that managers were participating in the research voluntarily and asked their consent in advance. We gave prior information about the subjects we were going to cover during the interviews and the timeframe it was assumed to take. We planned the interview times according to participants schedules, ensuring that we would not harm their work day and we were flexible for changes on the times. Before the beginning of the interview, we explained the study topic once more. Participants should always have the right to withdraw or not answer questions that they feel uncomfortable with (Saunders et al., 2012, p. 241). Hence, we went through the right to the participant to withdraw from the interview at any time if wanted. Additionally, we inform them about the confidentiality of recordings during interviews and to receive their permission to do it according to ethical manners. (Bryman & Bell, 2011, p. 136). Potential respondents should not be pressured to participating in a research project, and their privacy should always be respected (Saunders et al., 2012, p. 237). We addressed the anonymity issue before starting the interview by asking every participant separately if they will to remain anonymous. The interviews were conducted by trying to maintain a positive and pleasant environment, where the interviewee felt comfortable. Additionally, we sought to protect the company integrity, privacy and anonymity by changing the name of the organization for our study.

With deception, it is meant that a researcher is researching something other than what he or she has actually told the participants, which does not fulfill the study purpose and there is a risk of causing harm to participants (Saunders et al., 2012, p. 238). We wanted to assure that no deception took place in the settings of both contacting interviewees and in the process of interviews itself. Our purposes were very clear and transparent, and we were honest about our research study. We were open in our communication throughout the whole process and responded to the company under investigation in a quick manner so that we could have the trust of the company participants.

We were fortunate to collaborate with Alpha Group, with whom we selected a research topic based on our suggestions and the purpose based on the goals they wanted to achieve by participating in this study. The final goals for the study and mutual understanding were established through preliminary interview through Skype with the top management of Alpha Group. A binding formal contract regarding the study was signed by the researchers and the contact person from Alpha Group. This way it was possible to combine our academic agenda with their requirements. We kept in touch with the organization and updated them frequently regarding the process of our writing. We wanted to ensure an open dialogue between us, and our supervisor and the constant person form Alpha Group in order to fulfill our theoretical and practical objectives regarding the thesis. To conclude, we followed ethical guidelines and took the organization’s needs and wants into consideration at all times.
4. EMPIRICAL FINDINGS

In this chapter, we introduce the findings of the qualitative data collection. We have structured the chapter by main themes. The themes are: Understanding of the firm resources, the corporate identity, corporate identity components, of the internal communication and of the external communication

4.1 Understanding of The Firm Resources

We initiated our interview by asking the current situation of firm competitive advantage and firm resources. RBV of Barney (1991) created the starting point of how Alpha Group sees its competitive advantage and does it meet the VRIN criteria. When asking about the competitive advantage of the firm and its main asset when comparing to its competitors, answers were highly consistent with each other. Trustworthiness and professional expertise were the main things that were continuously pointed out by the respondents.

Group CEO stated that the competitive advantage of the firm is trustworthiness and professional expertise. The same was mentioned more or less by every respondent in the top and middle management. In addition, Group CEO mentioned that “Even though we are a relatively large company, we are still quite flexible and agile compared to many others, and we can do everything from small projects to large ones”. According to Alpha Director, Service Director and to all the middle managers, high range of high-quality tools also something that Alpha is known for and stands out compared to its competitors. Words “comprehensive” and “pervasive” were mentioned throughout of top- and middle management interviews and Alpha Director sum it by the statement: “Due to our expertise and diversity, Alpha has been chosen for many projects because there are some projects that others just cannot handle”. Therefore, top management sees that Alpha has built its reputation based on trustworthy of its operational functions.

When moving on the middle management, the answers are still quite consistent with top management, even though some additional aspects stood up. Project-Engineer stated that “I would like to say domesticity as it would be great to compete with domesticity, but trustworthiness is an absolute competitive advantage for us. Basically, if we start something, we will finish it”. HR-manager provided a different viewpoint to competitive advantage by stating that the company provides very good healthcare and safety-equipment for its employees compared to others as “Alpha Group has big-house benefits”. When it comes to Factory Manager of Alpha Rolls Oy, he pointed out that the competitive advantage of his business unit is the high-quality products and therefore his answer was emphasizing the most tangible view of their competitive advantage of the firm. Project Manager of Alpha Service Oy explained that their competitive advantage comes from the fact that they are the biggest mechanical installation company in Finland and thus they have a wide workforce. In addition, he highlights that they have a reputation that has built during the years. Even though the reputation seems to be good, he points out that sometimes management is not demanding enough and there is a lack of clear strategy and processes. “We are basically floating in the middle of the ocean without engine and we have no idea where we are going, I see this a big problem”. He also adds that this should not be shown to outside, but I sometimes it does.

Therefore, this was aligned with the answers related to managing the intangible resources, as everyone agreed that it is very minimal, and it is something that the firm should focus
on more in the future. Even though their main competitive advantage, trustworthiness, is intangible in nature, Group CEO confessed that they basically do not systematically manage their intangible resources in the organizational level, such as managing its brand and reputation. Thus, they have not invested even close enough resources to it. Basically, it is done alongside operational work tasks and it has not given enough focus. Alpha Director pointed out the same issues, but he also mentioned that “we have been thinking about these [intangible resource management] things a lot in the management board meetings, but the implementation always fails because of the lack of resources”. Service Director shared the exact same view about intangible resource management, but he also referred to the past when Alpha Group used to be the pioneer when it comes to branding. They had fancy websites, logos on work clothing and tools before it was taken for granted, but “at some point, we just fall by the wayside”. All things that can be considered clearly as intangible resource management, “I do it during the nights or whenever I have some spare time”. Also, Pipe CEO stated shortly and clearly that they invest basically nothing on intangible resources.

In Alpha Group middle-managers are clearly the ones who are more responsible for implementing the intangible resource management in practice, but all the answers emphasized the same fact that was highlighted by top management: there is a minimal investment in intangible resources. Project Manager pointed out that they just do not have any marketing culture and their reputation is highly based on the operational side, but in other aspects, they have left behind. He is partly responsible for social media, but he points out the lack of time when trying to utilize social media.

“We need more resources for social media as it is playing a huge role nowadays in this kind of things. We would definitely need one person who is responsible only for communications and marketing.” – Project Engineer

Also, the Manager Service emphasized the lack of resources invested in intangible resource management and the fact that they used to be ahead of everything in the past but while the word has been changing, Alpha Group has not. Too little effort is invested in marketing or sales. “When talking about resources, the situation is unsustainable, at least in Middle-Finland, we are working a long week... the middle management must react and give signals to top management what has to be changed, otherwise, nothing changes”. In addition to functions related to sales and marketing, scarcity of intangible resources also reflects to effort given to employee satisfaction in terms of extra benefits during the projects. As the company is very depended on its highly skilled workforce, it should be something to give more focus on. However, there was some inconsistency between the answers, as HR-manager think that the company has good employee benefits. Factory Manager explained that “I do not get any help or support for sales or marketing functions from the organization. Therefore, all that is away from the time spent in operational activities. It is a dilemma”. It was also pointed out by Factory Manager that competitors might have 4 employees only for sales functions while Alpha Group has 0.

Compared to others, daily tasks of HR-manager are highly related to intangible resource management as the human resources are playing a huge role when managing intangible resources. Therefore, HR-manager could be seen as the only one in the company whose main priority is the intangible resource management. “I am a walking business card for the company as everything I do and communicate with different stakeholders is creating the image for the company”. However, according to HR-managers answers, her tasks
represent a slightly old-fashioned view of HR. Therefore, many respondents, e.g. Alpha Director, Project-Engineer and Project-Manager, pointed out that they do not have one person who is in charge for marketing, communication or business development, and that is a problem. Could be concluded that tasks related to creating an organizational culture and identity, which are related to communication and motivating, are totally missing in the organization.

All the answers by top- as well as middle management, were consistent that the reputation is good or very good. However, based on the answers about their competitive advantage, answers were expected.

“Reputation at least has been good. Our financial drawbacks have definitely had some weakening impact on our reputation, but it has to be noted that we survived from the financial distress due to excellent reputation. I would say that reputation is still fairly good as we still get a lot of projects” – Group CEO

This is aligned with the Alpha Director’s viewpoint who also elaborated the difficult times they had a few years back, but after all the reputation has remained good. However, Director points out that they should still put more effort on visibility and build the reputation all together in a corporate level.

Project Engineer, who is the newest in house, could not point if the reputation is good or not, but he elaborated that he had a good, interesting and “big house”- image about Alpha Group when he applied for jobs. However, he mentioned that the present situation is quite uninspiring due to the lack of effort given on reputational or marketing aspects. In the same fashion, Project Manager points out that there is always room for improvement, but what he has heard from the clients that “we belong to the top 3 companies in the field”. Even though there is a lot to criticize about the intangible resource management and management in overall, Project Manager still emphasized that he can be proud of working for Alpha Group. “The company has been built from nothing and I have just jumped into moving train and I have a chance to work with great professionals. There is a lot of potential if we start focusing on some things a little bit more”. Factory Manager sees the clear connection between reputation and the growth of the company. He states that the turnover of the company was mainly because of the reputation they have. It can be seen from the answers, and also Factory Manager points it out, that reputation has been built because of the successful operational side.

However, Service Director and Project Manager also emphasized the fact that the reputation is probably more tied into reputation among clients. When it comes to reputation among employees and potential employees, the reputation was not seen as good and it is something that should be improved as the competent employees are the main asset for the firm. Therefore, based on the answers Alpha Group clearly has a good reputation among clients, but it is built due to the operational side rather than systematic management of other aspects that would also reflect better reputation among employees.

4.2 Corporate Identity
We initiated the question of the understanding of corporate identity by defining the concept of corporate identity. None of the respondents answered the question in terms of specific features that usually constitutes the corporate identity, such as elaborating on the components of the corporate identity. As expected, most of the respondents had difficulties answering the question or it came out that they had not really thought about those things earlier, nor it has not come up within the organization earlier by someone else. None of the respondents were able to clearly point out the desired identity of the firm, which every member of the organization would identify strongly as Alpha’s employees. Furthermore, there was a notable difference when looking at the answers from top management and middle management perspectives.

The CEO of the Alpha Group said that it was difficult to answer the question, “to be honest I have never thought about it from this perspective”. It also came out that the corporate identity is not emphasized, but it has been formed from operational doings than from stated values per se. When we asked about the vision and mission of the Alpha Group, the Group CEO responded that when the organization was established, the goal was “to be an all-encompassing installation firm...nowadays the vision is the same, even if we have faced some drawbacks”. Regarding the mission, he was not able to state what is the precise mission currently. He also adds that he does not believe in emphasizing in specific values within the organization if the actions do not fit it. He pointed out that they are focusing on the technical expertise since it is the core of the operations of the firm, “We value and emphasize Finnish professional expertise here”.

In the same fashion, the Alpha director and the Service director had a hard time to answer the question. The Alpha director says that he has not thought about it. When asked about the mission and vision or values Alpha Director replied, “I cannot state the mission, vision or values, I should have a look at the business plan and read it from there”. In other words, these things are written down but has not been put into practice. The Service director had a similar approach, “nowadays identity is a bit scattered since the company has grown and different companies and locations split the identity to different identities”, he also added that he thinks that at the moment the majority of the employees does not have any clue about the corporate identity. When asked about the mission and vision, he could not answer the question since it is seen to be a bit lost within the company.

On the contrary to earlier response, the CEO of Pipe states from the Pipe division perspective that the mission is industrial piping project activities, development of operations on the field and special metals and the vision is growth. “We are looking for growth, but it is not as concrete as it might need to be”. Aforementioned aspects are more related to the operational tasks than planned mission or vision statements.

Furthermore, this could be also seen throughout the responses among middle management as well. Corporate vision and mission are not implemented, and when asked about it, middle managers could not provide a clear answer to it. When we asked about the corporate identity and whether it is clear within the organization the answers were consistent. The project manager elaborated on it as follows, “We are like a boat in the middle of the ocean. There is probably some kind of strategy, I do not have any idea about it. There is probably some kind of a vision, but I do not know about that either”, he also added that it is really difficult to answer the question because he is not in that latter to come up with the aforementioned statements and these things have been never brought up by the top management.
In the same fashion, the factory manager says that corporate identity is not clear, and values are not consistent between entities. “There is room for improvement that we would be more united group and family”. When it comes to corporate identity, he would describe it as “when it comes to talk, content and products that we are honest and keep our promises and work openly and fairly”. When asked about the mission and vision he points out that these things should be first brought up within the organization before communicating it outside the organization. The project engineer stated, “there prevails a good attitude to working”. When it comes to stated values, he told that no one has never presented them for him. Similarly, with other middle managers, he points out that the company lacks proper concrete goals for the future.

HR manager explain that things related to corporate identity are not emphasized in the organization, “I don’t have the knowledge on how the top management has planned what is our mission or vision” and she settled for guessing that it is to concentrate on the expertise they already possess and to be the best on the markets on this industry. We were interested in a human resource perspective whether organizational values are emphasized when recruiting new employees, but it came out that internal values are not brought up in the recruiting process. Initiated by the question H&R manager points out,

“It would be good of course that there would be a strategy which would be implemented to bottom of the organization, and everyone would be aware of it within the organization. These things could be brought up in development discussion, but so far it has not happened”. – H&R Manager

Middle managers were not able to clearly point out the stated identity or stated values of the firm and the answers were consistent that corporate identity within Alpha is not clear. However, their own perceptions about the actual corporate identity and how they perceive the values within the organization were quite consistent and they would describe that at Alpha there prevails laid back working environment, there a low level of the hierarchy and it is easy to approach managers. When it comes to mission, vision, and values, the answers were quite consistent in terms that they had no knowledge of this aspect, and these are not introduced by the top management. As a conclusion, top management has the mission and vision statements on the business plan, but these things are not implemented which has led to ignorance of them on the lower level of the organization as well.

4.3 Corporate Identity Components

4.3.1 Values and Hierarchy

After asking about the corporate identity from top management perception and actual identity form the middle management perception, we asked the interviewees to elaborate on the specific corporate identity components (culture, behavior, and structure) in order to gain a deeper understanding on how the actual corporate identity constructs within Alpha. Also, one important aspect of this theme is to understand how different entities within the group perceive themselves as a whole of Alpha Group and whether they share the same identity within the group.
When asked about the occurring corporate culture, we approached it by dividing into a few subdivisions, values and hierarchy. As for describing the corporate values within the organization, the word honesty and trustworthiness came up the most frequently. Also, the organization prevails a good attitude towards working and that people are down to earth. H&R Manager describes the culture at Alpha as "relaxed environment, everyone has a good attitude to work, the size of the company is good". There are no stated values that would stand out or would be pointed out for every employee that would guide their everyday behavior and operational work. She explains, "we have certificates and quality systems that are followed". Project engineer would describe it as, “trustworthy environment” and that there prevails down to earth organizational culture, there are no unnecessary formalities and it easy to approach own manager or CEO. Also, the Pipe CEO pointed out that there is a friendly atmosphere within the organization. He feels that there prevails an open atmosphere in the office and that everyone has “open doors”.

As for the hierarchy, it came apparent that for the most respondents the hierarchy is unclear, and they find it problematic. When entering the organization, it came as a surprise for the project engineer that there is no clear hierarchy in the organization, “…as a new employee I’m missing the clarity of the areas of responsibility and consistency” within the hierarchy and decision making. Also, the project manager shared this view, “[hierarchy] is not clear and there is no reasonable organization chart, everyone is doing their own thing on their own”. He also feels that there is no clear organizational structure. Sometimes managers do not intervene on some situations or are not aware of current events. Also, task assignments could be clearer. Moreover, he has noticed that there is no risk analysis done and no directing, so this unclarity can be visible to outside as well.

Additionally, from the top management perspective, the corporate culture and hierarchy seem to be a bit loose. The Alpha director explains that there is a low level of hierarchy and elaborated on the challenges it brings to decision making, “the problem is that the internal assignments are not met, as it should be... maybe we are too good friends with each other’s, so do not delegate tasks...Management goes through things, but nothing really happens in practice. The organization structure is a bit vague”. In the same fashion, the Service director explained, that the communication between the site workers and managers is a bit poor sometimes. He also added, “I feel like There is a lot of talk, but the decisions stay in the cabinet and are not implemented in site worker level. Could be said that there is room for improvement in the managing culture and specific type of management is lacking. We should monitor more that agreed things are done.” – Service director

Whereas, from some respondent’s perspective the hierarchy is seen clearer. “Hierarchy is clear, I have a straight connection to my manager both ways,” says the Factory manager. H&R manager says that the hierarchy is clear, and it is easy to approach the top management “I do a lot of things as well and it is easy to approach Piping CEO or Group CEO if I need to ask something”. The interaction within the company is seamless. If someone has any ideas or suggestions, it is easy to approach the managers and reasonable ideas are usually acted upon.

4.3.2 Behavior
When looking at the corporate identity in terms of the behavior within the organization, we are examining it from the view of interaction within the organization and how approachable different member of the organization in the different management levels are. In general, the findings were consistent. It is seen easy to approach everyone within the organization and when it comes to interrelationships there is no barrier to approach the top management form the middle management perspective. “It is easy to suggest ideas and be and to approach the top management”, Project manager. From the CEO perspective, it is easy to approach with ideas within the company. He emphasized that especially with the work safety issues, it is important that information flows continuously, “we have tried to invest in this with different incentives on this matter”. However, he added that. Information flow from bottom to top is probably not working as well as it should.

However, it came out throughout the interview that the problem seems to be in the implementation of the suggested ideas. The project manager explained, “I have suggested things to top management, but so far actions have not been really taken”. He added that even if the issues are brought up, the matter is taken seriously only when it becomes more apparent issue. The project engineer explained, “if you want to get something done, you have to do it on your own”. Also, differing approaches exist. The factory manager pointed out that communication between entities is difficult and causes a feeling of un-connectedness between them. However, he feels that the entities share the same identity. The Alpha director added that he is not approached directly. The ideas might come level by levels, so through supervisors to him. “Timewise the information moves retroactively. It could be said that there is a gap between the site and office.” (Alpha director).

4.3.3 Structure
We were also interested in the perceptions on the structure between the headquarters and the subsidiaries and we asked whether the entities within the group share the same corporate identity with the headquarters. It could be noticed that the perceptions seemed to vary between the entities and locations. In Middle-Finland, according to the project manager, the structure between the entities are separate, even if they are supposed to be “one house”. “We lack the feeling of togetherness completely, we meet rarely or call in any other reason than operational stuff, I wish there would be some kind of work community event on a free time”. In general, the unitedness does not happen now, because the companies are so loose. Also, site manager agrees with the view that they should be one, but currently that is not the situation. Factory manager perceives that the group shares the same identity but find it difficult to communicate between entities. The Alpha director stated the following, “We should be seen as one organization. Despite that we have different locations, we are one organization, which bring it challenges”.

It also came out that for different managers in different entities and locations and it was not that clear what other entities are doing. Project manager stated, “there is no systematic statistics on what is going on and where, I do not have much idea on what the others are doing, even if I am at the level that I should actually know these things”. Project engineer, who is the newest employee in the organization, said that he is not able to explain the structure of the Alpha group and the entities, but he thinks “they should definitely share the same identity".
On the other hand, the subsidiaries that share the same location in Oulu, perceive the identity united and that there is a good level of communication. “In my everyday work I emphasize that the group is one entity, Alpha Oy”, H&R manager stated. She also added that everyone should remember in their everyday operations that this is one entity for which they all work for. She explains that there are separate projects for each entity and workmen move and are borrowed between the entities, so they need to consolidate some ground rules between them. H&R manager also pointed out that since the working clothes have the company logo on them, no matter whether they are their own employees or form subcontractor, they represent one company. When we asked about the communication between the entities, she explains that personally, she is mostly in contact with Alpha Oy and more or less contact with Alpha Service, mostly for employment issues. When asked about the connection between corporate identity to corporate reputation, she doesn't know how they are related.

4.3.4 Corporate Identity and Corporate Reputation
When asking about the connection of identity to corporate reputation, most of the respondents had difficulties to give a clear answer to it. When elaborating on it a bit more, there were few participants that were able to point out that it is important for building the reputation. There prevails understanding of the importance of the collective identity of the group to the overall corporate reputation. It also came out that reputation is not necessarily systematically managed at the moment.

“Currently identity is not been brought out in order to build reputation or image. Not sure if I understand the connection. Of course, the more we get people interested in our company, the more awareness of Alpha is spread around their networks” – Alpha Director.

As for the link between corporate identity and corporate reputation, the Project Engineer said that it would be good to bring the strengths of the company more systematically also to outside of the company. Group CEO stated the following, “since we are aiming for honesty and trustworthiness and the favorable reputation has been built on it. For example, suppliers trust us, that they will get their money back even if we would have a difficult time [bankruptcy of a subsidiary], Alpha word can be trusted”. Factory manager explained that he understands the connection between the organization’s values and identity to corporate reputation and that it should be consistent within the whole group.

4.4 Internal Communication
We started the internal communication theme by asking the top management about their internal communication strategy. All the respondents stated that they do not have a strategy for internal communications. The same answers could be found from the middle managers’ answers, who all made it clear that there are no specific policies or guidelines for internal communication. However, some of the respondents saw the role of internal communication more important than the others and there were clear differences between the locations. Overall, it was clear that management has discussed the internal communication, but nothing has happened.

All the top-management respondents stated that the company does not have a clear internal communication strategy. Everyone explained that after a little break, they have
released “Alpha-news”-newspaper, which is released four times a year. Its purpose is to inform the employees about the news related to the company. However, it was admitted by the all respondents that it is a quite old-fashioned way to communicate internally even though it reaches all the employees, including the ones who do not have a continuous touch point to the company. Pipe CEO said, “We use internal communication to inform employees what projects we have acquired” and this statement was something that was present basically in every interview. Therefore, it was evident that the company sees the role of internal communication important for informing about the projects and what is going on.

There were inconsistencies between different locations and business units on how internal communication was done. For example, Service Director mentioned their every six months-updates by email for the employees, which purpose is to inform but also motivate the employees. This was the only statement that brought up the motivation aspect of internal communication. It was mentioned, for example by Group CEO and Project Manager, that internal communication could be used for increasing motivation, but no one actually mentioned it as something they already do, except the Service Director. According to Service Director, HR-Manager and Project-Manager, WhatsApp-groups that are sometimes used in the projects, but it is not established or official communication channel for the company.

In addition, informal communication during the work days, including coffee breaks, is in a good shape in, but it clearly discriminates the employees and managers who are located in Middle-Finland (not in the Headquarters). For example, Project-Engineer stated “we, who are located here in Oulu Headquarters, communicate quite well”, while Factory Manager in Middle Finland mentioned “we should be more in contact. I feel slightly outsider due to my location”. Factory and Project Managers both explained that there would be a significant need for more continuous and formal communication between the business units and locations. The problem is that employees or managers in Middle-Finland do not know what is going on with a company until the Alpha-news is realized a few months later. Therefore, at the moment the location and lack of real-time communication throughout the whole organization set a clear problem for internal communication.

Group CEO states that the challenge is that they do not have any modern internal communication channel. He thinks that perhaps nowadays’ technology can provide some better channel that could be used in internal communication as the newspaper is quite old-fashioned and “heavy” to do. Group also points out that “We have to be more open and transparent that all the employees know what is happening”. In the same fashion, the need for more modern internal communication channel was mentioned more or less by all the top-managers. CEO Pipe saw the potential of social media when it comes to internal communication as “everyone is there”. Project Manager mentioned the usefulness of internal communication channel that works in real time as new represented in the Alpha-news is already outdated. However, he would exclude social media as an internal communication channel, as it is more for external communication. However, based on all the answers, lack of resources is the obvious reason for failed internal communications even though they have some desire to do it better. Alpha Director stated that “We do not have one person in charge for this kind of things, so implementing internal communication appropriately is challenging”.

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This study has a strong theory about the connection between internal communication and corporate identity and reputation, however, we wanted to know how the management of the company would see the connection. Answers were very varying and many respondents had a hard time to answer the question. If starting off with the Group CEO, he elaborated the fact that strong internal communication and openness would translate into better working atmosphere and faith towards the company, especially during difficult times. He highlighted the importance of transparency and informing employees also when things are going bad. From the more informal side, he suggested that “I find it interesting to know more about our colleagues, for example, what they are doing on their free-time. It tells a lot about the person and it is part of creating a feel of belonging in the company”. Service Director sees the connection clearly as he suggests the company should communicate more and clearly about its strategy and what the company wants to be to its employees as it is something that everyone should know.

“This is something that we have not implemented at all, so we have not communicated these things [strategy and what company wants to be] at all to our employees. We need some internal communication channel that would message to employees what the management wants from them” – Service Director

Alpha Director highlighted the fact that internal communications should be simply used more and better in order to employees to know what we want them to know in the first place. Pipe CEO answer was slightly broader as he pointed out that internal communications can be used for anything if one just has the skills for it “but in busy times it is just something that is left out”.

When it comes to Middle-Management, Factory Manager stated “We can never emphasize openness too much, therefore openness should be one of the main values for the company. Internally as well as externally. And by this, we can strengthen our corporate identity”. HR-manager emphasized the fact that the company should communicate what the company wants to be. “It would definitely improve the image of the company if employees would also know what the values are that we are standing behind and act according to it” (HR-Manager). This was aligned with the Project Engineer’s point of view as he elaborated that certain kind of information and guidelines would guide employees and their actions. Therefore, according to him, mission and vision were something that should be brought up more, at least after they have been clearly stated by the top management.

4.5 External Communication

In this paper, external communication is mainly focusing on marketing communications and the fact of how the identity should be messaged to outside in order to create reputational capital. Answers were highly aligned with each other and also very consistent with previous topics. Based on the answers, the top management of Alpha Group did not have any kind of external communication. Aligned to that, the middle managers did not recognize any specific guidelines or practices for external communication. However, this is something that they are planning to focus in the future as they have realized that they just have to be more visible and show to the world that they are still going big.
“Our external communication sucks. We do not have any strategy or plan.” was shortly stated by the Group CEO. It was hard to find competent answers as company indeed did not have any kind of strategy for external communication. The only guideline was mentioned by Alpha Director who explained that there was some kind of instructions for the usage of graphics, such as logos, in presentations or in other material. The positive thing was that everyone mentioned the change that is about to come, and company want to develop its external communications, especially with the help of social media. Service Director illustrated that “So far, our external communication has been random and arbitrary. Let’s say that it has not been no one’s responsibility. That is the problem”. Pipe CEO pointed out that they have started to think about new ways to communicate externally, especially when it comes to sales and marketing communication. He admits that as they get quite a lot of projects and call for tenders, they have not seen a reason to change and “The whole top management has been quite obdurate and old-fashioned.” (Pipe CEO).

Interviews and our own observation revealed that Alpha Group’s webpage and social media pages are more or less empty of recent news (the last update in references in the webpage was from the year 2015). For example, Service Director, Project Engineer and Project Manager mentioned that external parties only have outdated information and they have no idea what the company has been doing lately and this is not creating a good image for the company. Therefore, it was continuously mentioned that external communication has to be improved in order to change this. According to Project Engineer, the fact that their external communication has been dead until now is creating an image that the company is in trouble and it is definitely something that needs to be changed in the organizational level. He also points out that these days working and increasing the visibility is done in social media and that the whole organization should be involved in this external communication somehow.

“Employees are an important part of creating the image and reputation for the company, so they should definitely be involved and guided to act accordingly the company values.”
– Project Engineer

It has become clear now that there are no strategy, guidelines or resources given to external communication. Project Engineer, who is partly responsible for social media, also elaborated that he has come up with slogans for different business units without any guidelines and explained that “I did not need any approval for those”. In the same fashion, HR-manager elaborated that she does not receive any guidelines for external communication and there are no any guidelines of company values or other aspects that have to be mentioned, for example, in job ads. Project Manager points out that they have been starting to use social media more. “We have now created this social media workgroup among a few different managers, but no one really has time to do it well” (Project Manager). This clearly messages about resource scarcity as no one has the time or resources to take the full responsibility of the systematic external communication. In addition, most of the respondents, especially in middle management, realized the potential of social media when it comes to external communication. They explain it with the fact that basically everyone is in social media, especially younger people.

The difficult times were already mentioned earlier, and this was something that came up also in the questions about external communication. Company has faced some difficult times and there has been a lot of negative news lately about the company. Therefore,
many respondents pointed out that negative news has to be replaced with positive content. This would help to create a better reputation and image of the company and people would remember the company in a more positive way. When asking about what kind of content in social media would work, it was suggested that

“Not all the communication has to be super serious. Some more relaxed and informal messages would definitely work. This would also bring up our values, such as good attitude towards work, and it would reveal what we are actually doing and what we are as an organization.” – Project Manager

When asking top management about how external communication can be used for developing a reputation, Group CEO’s answer was aligned with many other answers as he was pointing out that they should bring out more the successful projects they have had and big incoming projects. In the same fashion Service Director said the exact same thing, because “We have to communicate externally that we are hungry-, not a slowly dying firm. Not to forget that people actually would want to work for us”. As the Alpha Group’s competitive advantage is competent workforce/professional expertise, Director brought up the fact that “We should definitely emphasize our competencies, such was professional workforce and expertise and the fact that we are specialized in challenging projects”. The same aspect was mentioned more or less by most of the respondent, also an emphasis on high-quality tools was mentioned. Even though the answers were consistent within top management, it was still pointed out by Pipe CEO that they should also remember to target the external communication to certain industry institutions in order to build up a right reputation. Overall, the professional expertise, which is related only to operational activity, was the factor that top management considered as the key to helping to build a reputation with external communication.

However, it was interesting that even though most of the respondents mentioned trustworthiness as their competitive advantage or main value, no one mentioned it as something to message outside to help to build a reputation. Again, the emphasis was only in operational activities rather than organizational values. On the other hand, answers were little bit varying between top- and middle management. In the same fashion with top management, HR-Manager saw the professional expertise something that should be emphasized more in external communication in order to improve reputation. On the contrary, Service Director was the only one from top management who brought up the employee point of view that they have to use external communication to create a good reputation among employees and potential employees. “We have to create an image of a trustworthy company who respects its employees as they are our most valuable asset. Good motivation and good working attitude are something we are looking for and we should emphasize that.”. This was aligned with the Project Engineer’s idea that the company should communicate and create an interesting image among potential employees so that employees want to work for the company rather than leave it. Therefore, they both considered that external communication is an excellent way to try to reach different stakeholders, not only clients, to improve the reputation and overall image of the company.

Project Manager suggested an even more comprehensive way to use external communication to develop a reputation. He explained that the purpose of external communication is to show people that what means to be part of Alpha Group and this is a great place to work with great colleagues in addition to the quality of work the company
can offer. Therefore, external communication should not only be informed about facts and news but also creating an image of what kind of company Alpha Group is in terms of values and atmosphere. He highlighted the fact that the company has to be viewed as one entity, not separate business units. This was aligned with something that all the respondent agreed in corporate identity chapter, even though there were different views of how it is actually experienced at the moment.

All in all, the main challenges highlighted throughout the interviews related to intangible resource management and more precise communication, was the fact that they do not have anyone responsible for communication or marketing. Scarcity of resources has also had an impact on implementing these strategies for corporate communications. This involves both internal and external communication. All in all, from the answers it could be clearly seen that all of the respondents were very busy and did not have time for anything extra. “We have thought about it” or “We should improve that” was mentioned many times during the interviews, so it is evident that company recognize the value of communication, but they just do not have resources to implement those ideas.
5. ANALYSIS AND DISCUSSION

In this part, we will explore further the empirical findings and discuss over them in connection with the theories presented in the theoretical background part. Based on the analysis and discussion, we are gaining a deeper understanding of the reality of corporate identity and communication management in the organization studied.

5.1 Resources

5.1.1 Resources of Competitive Advantage

As Barney (1991) has suggested, firms should gain a competitive advantage through their exploited resources. We can conclude from the interviews that both top and middle managers were able to identify Alpha Group's competitive advantage quite strongly and coherently. Both, the top and middle managers, consistently mentioned trustworthiness, professional workforce, and high-quality tools as Alpha’s competitive advantage. Therefore, it is evident that Alpha’s identified competitive advantages were based on resources rather than on products and product development. Barney (1991) and Peteraf (1993) emphasize the importance of VRIN-criteria when seeking competitive advantage and highlight the fact intangible resources are the ones that are most likely to meet the criteria.

Alpha Group’s competitive advantages are mostly based on intangible resources, which have been built over time. Especially, trustworthiness is something that firms cannot buy and it is fully built by the firm itself and reflected by its actions. Therefore, trustworthiness can be seen to meet the VRIN-criteria as it is valuable, rare, imperfectly imitable and non-substitutable. Not every firm can build a competitive advantage around trustworthiness if they have not earned it, which takes a long time. However, this is only the view of managers so we cannot be fully sure if this also meets the perceptions of external stakeholders, such as clients. But notable is, that trustworthiness was mentioned frequently in the interviews also when asking about the internal values of the organization, which supports the view that the organization seeks to act in a trustworthy way and also identify trustworthiness as their corporate value.

Interestingly, the professional workforce was mentioned almost even more than trustworthiness, which indicates that the company has gained a competitive advantage through their human resources. Notable is that, for example, Oliver (1997) stated that sometimes reputation is dependent on a particular individual and this kind of strategic asset could be tradable through human capital transfers between the firms. Although it is clear that the professional workforce in Alpha Group involves a large group of people and not a single individual, it should be noted that competitive advantage and reputation should be tied into the organization itself rather than transferable human capital. Structural capital is the one that can create a sustained competitive advantage for the firm. Therefore, we could state that the professional workforce solely as a competitive advantage will not create a sustained competitive advantage for Alpha Group.

When moving on to tangible resources and competitive advantage, high range of high quality of tools was mentioned also many times. Even though not all competitive advantage of Alpha Group is based on intangible resources and do not meet the VRIN-criteria, Schriber & Löwstedt (2015) pointed out that tangible resources are part of
creating the differences in organizational capabilities. This is also supported by the findings from the interviews that by possessing a range of high-quality tools could also be connected to the trustworthiness. With high-quality tools, Alpha Group can ensure high-quality service for its clients and hence, increase the trust towards their services. Therefore, high-quality tools as a tangible resource is probably a part of improving their organizational capabilities and its importance should not be neglected even though it does not meet the VRIN-criteria which is emphasized when seeking for sustained competitive advantage.

### 5.1.2 One Sided Reputation

When looking from the resource perspective, corporate reputation is an example of a complex social resource that represents imperfectly imitable resource (Barney, 1991, p. 115). Hence, we wanted to understand what the current situation with Alpha Group’s corporate reputation is as a resource and does it bring competitive advantage. As stated, corporate reputation is built based on everything the organization does, communicates and signals (Davies & Miles, 1998, p. 16). In this part, we are looking into it from the perspective that the organization does, and in the later coming chapter from a communication perspective. From the findings, it came apparent that according to the top and middle management currently, Alpha Group has built its reputation based on its successful operational functions.

When it comes to Alpha Group’s reputation among the customers, it can be summarized based on the respondents that they are enjoying favorable reputation. It can be described as trustworthy and professional and that they are definitely seen to gain from the reputation. It came out throughout both top and middle managers that this is because of their successful actions in the past and satisfied customers. Even throughout financial distress, Alpha Group has been able to deliver their services, and point stressed by the respondents was that they are known from their trustworthiness and professionalism. Also, because of their capability for different types of projects and the good quality of their work has led to this good reputation among customers. Despite the good reputation that has been built over the years, it came out that the reputation has not been managed systematically, but the way they have operated has established this good reputation.

However, when it comes to other stakeholders’ groups, such as employees and potential employees, it has come evident that they are not managing their reputation, nor it is as favorable as could be with better management of it. It has been acknowledged that reputation is continuously settled in relation to different stakeholders and therefore organizations need to host multiple reputations (Barnett et al., 2006), but currently, it is evident that these stakeholder groups are not hosted. It came out from the interviews that they have faced issues attracting new talents to work for them, for which the aforementioned issue can be an explanation for. Currently, they are not providing any resources for the management of these stakeholder groups. It also turned out that at the moment their external communication is at a very small scale, as will be discussed further in the external communications chapter. There exists no plan or systematized reputation management for any stakeholder group, which nevertheless, has been noticed within the organization as well. A crucial management challenge lies in managing corporate reputation under a more comprehensive structure that takes into consideration not only the customers, but all the company’s stakeholders (Rokka et al., 2014, p. 805), and this is why it is not enough not only to have a favorable reputation among one stakeholder group but manage reputation from all stakeholder perspectives. To conclude, it can be said that
there is the unutilized potential of favorable corporate reputation, which can be reclaimed by implementing systemized management of corporate reputation within stakeholders.

5.1.3 Scarcity of the Resources in SMEs

Based on the findings, it is evident that Alpha Group does very minimal to systematically manage their intangible resources. Their competitive advantage and also the reputation have just composed during the years by their operational activities. In contrast, Sirmon et al. (2007) suggest that possessing certain resources is not enough, but in order to gain sustained value from them, firms need to assemble, combine and exploit them. Therefore, Alpha Group could be seen to trust their prevalent competitive advantage and reputation without doing any systematic actions to manage them. Ability to reconfigure the firm’s resources according to the changes in the external environment is also highly dependent on the motivation, skills, and experiences of the management (Zahra et al., 2006). This is aligned with the view of a few respondents who perceived that the problem was also related to the lack of strong management. The sample, and basically the whole organization excluding the finance department is consisted of engineers. Thus, it is apparent that the management might lack the necessary skills to actively manage various different kind of intangible resources that are evident in nowadays’ business environment. Alpha Group seems to handle its operational side very well, but managing the organizational factors is slightly problematic. In the same fashion, the fact that Alpha Group does not have any person in charge of marketing or communications was seen as a big problem. If the engineering managers do not have the necessary skills to manage intangibles in a bigger picture, then it might be inevitable to acquire people with necessary skills to be in charge for managing the intangibles in the front line.

However, it is common for SMEs to be less structured and lack departments of different functions. Therefore, the literature suggests that also SMEs with engineering managers must start to see and understand the value of intangibles as well as carry out actions to manage them (Crema & Nosella, 2014). Interestingly, findings revealed that the middle managers seemed to be highly interested in intangible resource development. That is a highly positive aspect for the organization, but it has to be noted that also the top management must be involved in the process and provide all the necessary resources to execute necessary actions.

On the other hand, if Alpha Group is already tight with resources and the current managers can barely handle their everyday tasks related to the operational side, some changes must be done. Therefore, the question is, whether it is enough that the responsibility of managing intangibles is left for engineering managers as the company is employing approximately 200 employees and having a turnover of 30€ million. It is almost impossible to compete only with products and services anymore, but firms must be continuously developing reputation management among operational activities (Morris et al., 2002, p. 7). Aligned with theory, Alpha Group must then acquire the necessary resources, whether they are tangible or intangible, in order to increase their organizational capabilities and manage their intangibles more systematically. Therefore, the top management is in a crossroad where they must decide the direction of the company and give the value for managing the intangible resources.

To conclude, throughout the findings it became apparent that lack of tangible resources, such as financial resources, is restricting Alpha Group to develop its capabilities and intangible resources. Probably the main theme brought up was the absence of one person
in charge for communications and lack of appropriate real-time internal communication channel. This had an impact on how the corporate identity was emphasized internally and how the identity was communicated externally. This is very highly aligned with the theory as it is stated that SMEs have more limited resources and capabilities than larger companies (Aragón-Sánchez & Sánchez-Marín, 2005, p. 288) in addition that formalized systems and managerial infrastructure does not find a suitable home in SME environment (Huggins & Weir, 2007, p. 418). The lack of tangible resources, therefore, has a strong impact on the development of intangible resources. This is clearly setting a challenge for the top managers to overcome these limitations and develop intangible resources and capabilities that are not highly associated with significant tangible investments. It is also their role to recognize the value of the intangibles and how much resources they are willing to invest resources to better manage their different intangible resources.

5.2 Corporate Identity

5.2.1 Informal Understanding of Corporate Identity

When asked about the corporate identity within Alpha Group's top and middle managers, we could see that they had a mostly informal understanding of the concept. Most of the participants had difficulties elaborating on the corporate identity within Alpha Group. None of the participants, regardless of whether they are in the top or middle management level, were able to explain in formal terms what constitutes their corporate identity and how they perceive it. Furthermore, it came evident that no one had thought about corporate identity before. Since the understanding of corporate identity is not managed from the top management level and understanding of it is informal throughout the whole organization, there is no clear answer to the question. Thus, the value of corporate identity is not realized for managing corporate reputation. There is no clear understanding of the company values, and the core being of the company is unclear, which can make the operations within the organization, between different members, inconsistent. Furthermore, this reflects both internal and external stakeholder groups’ perceptions of the company; hence, it is part of the reputation management. According to Dowling (2004), corporate identity can be defined as the way the organization is presented for both internal and external stakeholders. None of the participants brought out the aspect of internal and external dimensions about the corporate identity in a way that it would have been understood within the organization from both perspectives. Dowling (2004) has also described that corporate identity is determined by the features that describe an organization and answer the question "Who are you?".

On the other hand, even if the participants were not able to give an accurate description of the corporate identity within Alpha Group and there does not exist a formal understanding of it, this does not mean that the corporate identity would not exist. After elaborating on it the answer to the question "who are you as an Alpha Group" there were still some consistencies, and the same aspects were brought up. By managing corporate identity, it would be possible to shape the stakeholder groups perceptions of the company and create value.

Since mission and vision are an essential part of understanding the corporate identity (Bick, et al., 2003) and should be evident within the members of the whole organization, we asked both the top and middle management to explain about Alpha's Groups corporate mission and vision statements. Throughout the top management's answers, it came out that the corporate mission and vision exist, but that these are unclear and not implemented
by the top management. Thus, these are ambiguous with every member of the organization, and middle managers were not able to name either of them. Currently, the state is that mission and vision statements are not implemented within the organization at any level, which should happen through the top management to the middle management. Since mission and vision are organizations purpose and future direction or goal, without a clear mission and vision the company lacks a clear purpose and its direction for the future. As these statements are not utilized, the top management lacks a clear strategy of what they are aiming for and a goal that would guide their operations. Similarly, when the mission and vision are not executed at any level of the organization, the purpose and future goal are missing from every member within the organization. Furthermore, without implementing the purpose and a goal for the company, also corporate identity remains vague within the organization. This implicates that currently, Alpha Group is operating without a clear corporate identity ("who we are"), purpose and a future goal, which makes it difficult for the member of the organization to operate in the same ways or share a strong corporate identity that would guide their behavior.

5.2.2 Unmanaged Desired Corporate Identity
Corporate identity consists of two identities, which can be identical if managed. These are the desired identity and actual identity. The desired identity is the senior management’s vision of the wanted identity that the organization seeks to be seen outside the organization (Balmer & Shoenen, 1999). While actual identity refers to what the organization is (Balmer, 1995b), and it projects the real values of the organization and actual identity. We wanted to understand the state of Alpha’s Groups desired and actual identities by asking questions related to corporate identity. Answers would also indicate how well the desired and actual identity is aligned. This is important because these have been theorized and identified to be essential for corporate identity management. In our interview, we asked the top management about the desired corporate identity, since it should be planned in the top management level. It is surprising that most of the top management members were not able to state their desired identity. Currently, this is not something that is planned or managed within the organization in senior management level, as it should.

Furthermore, it was surprising that the top management could not elaborate on the vision of the organization, which is an idealistic projection of what the company might be and might achieve in an undefined future (Brătianu, 2008, p. 20), which indicates that they do not have a clear understanding of where they want to be in the future. The lack of future direction was also confirmed by the answers of the middle managers in their interviews. This leads to weak or inconsistent corporate identity within the organization, as well as to what is seen outside the organization. Unclear corporate identity causes difficulties in communication, which will impact on the reputation building. By implementing and aligning the vision and mission it would be possible to align the corporate identity and that way corporate reputation to corporate long-term strategy.

5.2.3 Consistent Actual Corporate Identity
As expected, the chosen three components of corporate identity (culture, behavior, and structure) introduced by Melewar and Karaosmanoglu (2006) were not specifically mentioned by any of the top or middle managers. Based on Balmer and Shoenen (1997), the most largely acknowledged part of corporate identity construct is an organization’s core values, also known as corporate culture. It plays a crucial role in corporate identity formation (Melewar, 2003, p. 202). For this reason, we wanted to
understand the state of the occurring corporate culture within the organization to understand the corporate identity and whether it is managed or is there a room for improvement in this area. The approach of the questions in this section was similar to both top and middle management in order to understand the prevailing corporate culture, excluding few questions where we wanted to learn if the perceptions differ between the management levels.

When it came to the first component, the corporate culture we asked about the corporate values and hierarchy. The answers were rather consistent and words “honesty” and “trustworthiness” came out frequently from both top and middle managers. However, it came out that values are not something that has been brought up throughout the organization by the top management. It is evident that even if there are some values within the organization that has been formed over the time and everyone has somewhat similar ideas about them, no one within the organization has brought up the core values and made sure everyone within the organization is operating according to them. It can be described that there exists a corporate culture that is open and everyone is easily approachable. However, this is something that has been formed over time, rather than something that is systematically managed. These values could serve a baseline for the values that could be emphasized in the future as a firm that has been existing this long cannot just create totally new values and expect employees to act according to them. If these values are not managed systematically in the future, there is a threat that the organization starts to create its new values that do not match the ones that the top management desires. Hence, values are seen as an important aspect of corporate identity, because it is essential to gain an employee commitment of core values since corporate culture is usually communicated to stakeholders in some form through employee behavior (Melewar & Karaosmanoglu, 2006, p. 852). Currently, values are relatively vague and not clear to every member and since it is a base for the overall corporate culture, it also makes the corporate culture vague and not managed. This means that the potential of strong corporate culture is unutilized and there is even a risk that an undesirable corporate culture would emerge.

As for the hierarchy, when elaborating on it the answers were rather consistent for both top and middle managers on the fact that there are no unnecessary formalities within the corporate and the prevailing atmosphere is open. In general, middle managers feel that it is easy to approach their own manager and top management perceive that it is easy to approach other members within the organization and in that sense, the level of the hierarchy is perceived low. On the other hand, this also seems to be problematic. From several respondents, it came out that the areas of responsibilities are not always clear in the top management level. The corporate culture and hierarchy are seen a bit vague, which brings challenges to decision making and implementation, which leads to that internal assignments are not met, and assignments are eventually not put into practice. Also, from a middle management perspective, the clarity of the areas of responsibility is time to times ambiguous. Furthermore, it came out that currently everyone is doing their own things on their own and there is not clear task division or division of areas of responsibility.

When looking at the organizational identity from a behavioral perspective, which is the second corporate identity component we have under investigation, we wanted to gain an understanding of the interrelations within the organization. Corporate identity is seen to be rooted in the behavior of individual members of the organization, who are expressing the organization’s continuity over time and ‘distinctiveness’ and ‘centrality’ (Van Riel,
One aspect was how approachable different members within the organization are perceived and how e.g. suggestions or ideas are reacted and received in the top management. For this question we had dissenting questions for top and middle management, approaching the question from each perspective. Do top managers feel that they are approached by their subordinates and does middle managers feel that their top managers are easily approachable?

As related to the low level of hierarchy that came out earlier, the findings were consistent. There prevail no barriers between the top management and middle management, when it comes to approaching each other. However, it came out that the problem is not in approaching own manager, but rather it lays in the implementation of the suggested ideas. Middle managers are feeling that suggestions are never put into practice which causes the feeling that they are not actually listened. On the other hand, from the top management side, it came out that implementation usually comes down to scarce resources which limits the actions on them.

5.2.4 Scattered Corporate Identity Structure Between Entities
The third component of corporate identity, corporate structure, is the settled pattern of relationships between the component parts of an organization outlining the organization’s communication, control and authority patterns (Melewar & Saunders, 1998). The approach of this question is the same for both top and middle management. Interestingly, when it comes to shared identity and perceptions about it, the perceptions varied between different physical locations of the entities. The headquarters and the main office, where Alpha Oy and Alpha Pipe are located, share a similar view on the corporate identity. They have a strong view of the different entities of Alpha Group sharing one identity. However, Alpha Service and Alpha Rolls, which are located in the middle of Finland, do not share the same view. They experience issues with the communication between the entities and they feel that they are separate entity and experience that they are not on track with the other construction sites other than their own. It also came out that there is a need for being in contact more with other entities and an idea that the group would be more united if there would be more interaction between the entities in different locations.

It can be identified that because of the separate location, entities are missing out from all the informal communication, for example, coffee break conversations, which widen the gap between the entities, and further impacts on the shared identity between them. Additionally, there is a feeling that also formal communication channels are insufficient to keep different locations updated. To summarize, the problem is twofold, both formal and informal communication between the entities are insufficient which leads to lack of essential information about other sites and the state of the whole Alpha Group’s operations, as well as to non-communality. As the goal is that the whole organization would share the same processes and identities, currently this goal is lost when different entities are operating with their own style on their own.

5.2.5 Unmanaged Antecedents of Reputation
Altogether, it could be concluded that the current corporate identity is not managed at any level in Alpha Group. There is no clear corporate identity within the organization that would exist in the back of the head of every member of the organization. Every organization has a corporate identity, but it can only be utilized as an antecedent of corporate reputation if it is managed internally and externally. Markwick and Fill (1997) suggest that corporate identity has an important role and integrative function within the
corporate and competitive strategy. Corporate identity serves as a central role for strategy content and premise for a corporate communication system. Even if it is not managed, surely also Alpha Group has formed internal corporate identity and the answers from the interviews about corporate identity were rather consistent after all. Further on, it is a matter of systematically managing and strengthening it internally by internal communication and then throughout external communication so that it could be reflected as a corporate reputation. It is evident that the organization is lacking the recognition of the corporate identity and appropriate communication of it internally and externally. It came out that the responsibility of external communication is scattered between different members of the organization and there is no strategy or consistent plan behind it, which needs to be restructured in order to have it fixed.

If a company desires to create value from its corporate identity, it must be strongly emphasized by internal communication practices so that all the internal stakeholders take it as a framework to guide their actions. Managers and employees cannot clearly know what Alpha Group’s values and culture are if the top management does not actively pursue to communicate them. Communicating the corporate identity must be ongoing and all-time agenda for top managers (Balmer, 2017) and lack of this ongoing agenda, could be easily seen from the findings. In order to gain reputational outcomes, top managers must be in the frontline of making sure that every member knows these values, act accordingly and reflect these values to the external environment.

As it is visible in our framework for strategizing corporate reputation management, corporate identity should be based on the components of corporate identity, that already exists within the organization. The most favorable aspects should be strengthened and further communicated internally to the members of the organization. Internal communication strengthens the corporate identity within the organization so that every actions and decision are based on the fit of these actions and the corporate identity, which includes company’s values, culture, mission, and vision. It is also important that these aforementioned aspects hold true within the organization so that they derive from the actual corporate identity, which is adopted by the members of the organization, and not just on something that is only desired. Furthermore, when the internal corporate identity is managed, strong corporate identity can be utilized for external communication purposes and used as a strategy behind any external communication and marketing. By this, it is possible to make sure that the marketing is consistent and signals the wanted attributes which further strengthen the desired corporate reputation that is wanted to be built.

5.3 Corporate Communication

5.3.1 Lack of Communication

As everything is tied together, the findings revealed the poor condition of corporate communications in Alpha Group. External communication is closely tied up with internal communication as internal communication determines what is communicated externally (Elving, 2010, p. 7). Even though the top managers and middle managers answers were consistent when it comes to strategies for corporate communication and actual practices in external communication, it was apparent that middle managers were expecting more from the top management. Therefore, the recognition of the problem was present.

There is a pattern how both, internal and external communication, has not succeed in Alpha Group and this has caused many other problems in the company. When revisiting
the literature, 1) leaders are role models who use communication as an instrument to achieve goals; 2) communicator have an important and natural role in various levels of the organizations and 3) coworkers are aware of the importance of how the organization communicates, both internally and externally, to achieve high credibility (Nothhaft et al., 2016, p. 100). Therefore, based on findings, top managers are not seen as the role models of communication and do not implement strategies that use communication to achieve goals. Middle managers were somewhat unsatisfied with the top managers' management style where formal communication is insufficient. This point is crucial when considering our own framework of strategizing corporate reputation management where internal (management communication) and external (marketing communication) communication are mandatory steps for managing the reputation successfully. It is evident that the initial problem is the lack of corporate communication strategy in Alpha Group and leaders have not taken the necessary stand for showing the importance of corporate communication.

When comparing the theory and the findings, three main themes stood up. First, there is no internal communication on what the company is. Therefore, the link between corporate identity and internal communication is missing and the company faces difficulties identifying, for example, its values. Secondly, managers do not have any predetermined goals for internal communication, which causes ignorance among the employees about the organization itself, the messages the organization wants to communicate as well as what is expected from them. Thirdly, if the organization does not communicate internally what they are, it is evident that creating an external perception of the firm by external communication is also limping. In short, no one knows what, when and how it should be communicated. The statement that organizational goals and strategies must be aligned with the communication strategy (Pincus et al., 19991, p. 28) seems slightly to fail in this case.

5.3.2 Lack of Goals in Internal Communication

Theory suggests that internal communication has four main goals, which are 1) employee commitment by emphasizing internal relationships; 2) support a positive feeling of belonging in employees; 3) increasing the awareness of changes in the environment; and develop the understanding of evolving organizational aims that are responding to the environmental change (Welch and Jackson, 2007, p. 188). Expectedly, any of these goals were not directly brought out by the top managers when talking about the strategy and goals for internal communication. However, these aspects were brought up indirectly among the discussion of the topic and could be interpreted from the aspects brought up as a future suggestion for internal communications.

When it comes to employee commitment, due to the lack of internal communication between the entities, middle managers from other locations lack the strong feeling of being part of the organization. Hence, it is an aspect that could be improved by internal communications and therefore is seen as an aspect that is missing in the current situation. Employee commitment is strongly related to previous topics as it is basically the identification and involvement of an individual with the organization (Ridder, 2004, p. 21). Therefore, emphasizing corporate identity and values by strong internal communications would increase the commitment and loyalty of the employees. This is aligned with basically everything discussed earlier because employees want to know in what kind of organization they are working for and they want to identify themselves to the organization. If employees’ personal values align with the values of the organization,
it is always easier to identify themselves as a part of the organization and feel committed to the organization.

On the other point of view, it became apparent from the findings that top management suggests that by having more open and transparent internal communication, employees would be more committed to the organization as they would feel that they are important for the organization. This would improve employee commitment, as it is part of emphasizing the open and transparent nature of the internal relationships in Alpha Group. To conclude, findings created an image of the relaxed, flat and open organization, but by implementing more systematic management communication that would highlight these characteristics would increase the loyalty and commitment of the employees for the organization. Then the idea by top managers would actually meet the reality perceived by the employees.

As the commitment, feel of belonging is how the organization allows employees to identify with the organization (Cornelissen, 2004). Basically, do the employees get the feeling that the organization is worth of commitment? Findings showed that the current internal communication practices did not intentionally try to reach this goal. Alpha Group has a quite strong informal communication culture, at least in headquarters, which indicates that at some extent they have the sense of belonging. However, it is suggested that management communication has even more important role of creating the feel of belonging in the organization than informal communication (Postmes et al., 2001). This was evident, again, from the differences between the perceptions in different locations, as the ones operating in a different location than headquarters did not have a strong feel of belonging. Their internal communication is basically mostly depended on management communications as they missed the whole informal communication culture that is present in the headquarters. Therefore, the role of management communication in the role of creating both, commitment and belonging, among employees cannot be neglected. Interesting was that the CEO wanted to create a routine of presenting personal profiles of employees, for example in a weekly or monthly manner, to enhance the feel of belonging. In addition, Service Director mentioned the motivation emails that are sent every 6-months, which has an important part of creating trust, commitment and belonging in the organization. There are many good ideas in the organization about internal communication practices, which would help to reach these internal communication goals. However, the lack of consistent organization-wide strategy for internal corporate communication and an appropriate real-time internal communication system are probably playing a big role in the unsuccessful implementation of these ideas.

Increasing the awareness of changes in the external environment was partly discussed in the findings. It was frequently mentioned that there should be more communication during the difficult times as it would increase the faith for the of the company’s future. Literature suggests that firms must be engaged with establishing the awareness and understandings of the changes in the external environment by continuous internal communications (Welch & Jackson, 2007). Managers in Alpha Group did not emphasize the importance of communication when the firm faces changes in the external environment. They pointed out that they want to be transparent and create an open atmosphere, but without strong management communication that is unlikely to come true. The awareness and understanding actually create employee understanding of the strategic direction that the firm desires and in the end also develops the employee commitment (Ridder, 2004; Tegarden et al., 2005). Even though Alpha Group is sending the company
newsletter (AlphaNews) four times a year, it can be stated that when information that reaches the employees is already outdated information and fails to provide information of the current situation. According to the findings, the information about everyday actions is mostly exchanged by informal coffee break communications, which neglects the employees and managers who are absent from these situations. It could be said that most of the employees, therefore, miss the information about the everyday actions within the organization. Therefore, due to slow information availability, the lack of internal communication system and the lack of continuous information flow prevents Alpha Group to fully create the awareness and understanding of current changes and strategic direction within the whole organization.

5.3.3 Operational focus in Marketing Communication

Alpha Group is lacking external communication strategy and currently, most of their external communication practices are done in a random manner. Top management admitted that they do not have any strategy for external communications and middle managers elaborated that they hardly engage with formal external communications. As our framework of strategizing corporate reputation management suggests, external communication (including marketing communication) is the final step to determine the corporate reputation. Based on findings, it is surprising that Alpha Group has been able to acquire such a good reputation without any effort on external communications. It is apparent that employees are continually representing the organization on the site or during the client meetings and therefore communicating with different shareholders. The fact that the organization lack of marketing communication is quite crucial. As in general, marketing communication has the strongest impact on corporate reputation, and it is providing the most visible view of the organization for external audiences (Körver & Van Ruler, 2003, p. 200), it is interesting how strongly Alpha Group’s reputation is based on their operational side without any effort given to systematic marketing communications. Therefore, the organization has not given any effort to communicate its organizational characteristics and try to create a favorable image among external audiences. However, the question is how long the organization can make it without any systematic effort given to strategic external communications.

It is clearly positive that the reputation is rather based on the actual actions of the organization than in something that does not hold true. Consequently, the inside must match with the outside, but the problem here might be that the organization does not have a strong outside or the outside is very one-sided. The public desires increasingly to know about the organizations that are standing behind the products and services (Lewis, 2001, p. 32). This is the core problem of external communication in Alpha Group. They do not actively and systematically use marketing communications to promote the organization itself. However, it was positive that the findings revealed that the organization desires to change with this matter, but it could be still seen that the emphasis of what wanted to be communicated was still strongly related to the operations, not about the organization. The essence is that the organization understands the function of marketing communications as a task of informing the external stakeholders about the corporation’s value-added benefits (Markwick & Fill, 1997, p. 407-408). This means what else the organization can offer than the threshold product or service.

However, value-added benefits are not only restricted to clients, but also employees and their benefits. This focus point would be also aligned with the high dependency on the professional and skilled workforce. The question is why would someone want to work
for Alpha Group and not for the competitor? This leads us to the next topic, which is the fact that was already discussed earlier: the reputation is almost solely associated with clients. Communication with clients is important, but it is even more important to systematically utilize marketing communications to make the organization more visible for the number of different stakeholders that cannot be reached by everyday informal communications related to the operational activities. However, this cannot be done without marketing communication, which shapes the perceptions of external stakeholders. Findings reveal that there is a lot of potential in the organization, including a skilled workforce, good working atmosphere, and flat organizational structure, but without marketing communications, this is not reflected for external audiences and does not create reputational outcomes related to the organization.

5.3.4 Missed Opportunities in Social Media

When looking marketing communications from the resource-based view, RBV is about analyzing the internal resources, recognizing threats and opportunities by the external environment and reconfiguring the internal resources according to the changes (Barney 1991). Therefore, not utilizing marketing communications in the best possible manner means losing opportunities arising from the external environment. Even though more traditional industries and B2B companies have been adopting social media and other modern marketing channels more slowly (Jussila et al., 2014; Michaelidou et al., 2011), it still provides notable benefits also for companies like Alpha Group if executed right. As Alpha Group has not made external communication strategies that involve utilizing social media or other marketing channels, the organization remains invisible for external stakeholders. However, it came apparently from the findings that the organization seeks to start utilizing social media. Thus, they luckily understand the value of it, but the problem is that the management does not necessarily know exactly how to make the best use of it in the best possible way. However, all this is again aligned with the whole framework of strategizing the corporate reputation. Successful external and marketing communication cannot be done before the corporate identity is explicit for top management. This has to also be emphasized to the rest of the organization by strong internal communication.

In the B2B context, social media utilization is motivated by enhanced reputation and increased loyalty towards the organization (Rapp et al., 2013). It provides a great platform to increase awareness of the organization, create a better understanding of an organization and build the brand among potential employees (Jussila et al., 2014; Michaelidou et al., 2011). Therefore, by neglecting the importance of social media as an external communication channel, Alpha Group has neglected many important stakeholder groups as well as abandon many opportunities offered by social media. At the same time, a lack of usage of social media, which is a strong networking channel nowadays, might have restricted Alpha Group to catch all possible opportunities as its client base has been acquired by old habits and among the clients who are already familiar with them. The top managers must be engaged with external communication strategy, which is aligned with the business strategy. Without an appropriate external communication strategy, it is also hard for middle managers to be engaged with consistent external communication practices. The SME setting and Alpha Group’s scarcity of resources might be a challenge to fully utilize the opportunities that are arising from social media. This, however, is the chance for top managers to show that they are able to be leaders for the communication. This involves the specification of resources that are available to achieve these communication objectives.
5.3.5 Recognition of Corporate Reputation Management

Our framework (Figure 7) of strategizing management of corporate reputation suggests that corporate identity is messaged through internal communication to the internal stakeholders, and then external communication creates the external perception of the firm, which in the end creates reputational capital. This in mind, the fact that Alpha Group lack internal communication as well as external communication is restricting the reputation management. Managers had a hard time to see the connection between corporate communication and corporate reputation. It is indicating some of the reasons why their corporate communication is limping. Alpha Group is clearly seeing the importance of its employees in operational activities, as the competent workforce was seen as an asset for them. However, there could be a slightly better understanding of how employees can be used to actively manage corporate reputation with strong corporate communication activities. Employees are influencing and formulating the overall perception of the firm’s corporate reputation, but this requires a strong involvement of management by developing different reputation management practices (Olmedo-Cifuentes & Martínez-León, 2014; Van Riel & Fombrun, 2007). These management practices involve such communication systems that increase the information availability so that employees can, in the first place, understand what the organization is standing for and what is expected from them in order to be part of developing more positive stakeholder perception and gaining reputational capital.

Luckily, findings also indicated that some managers think that employees should be more aware of the values, strategy, mission and overall core being of the company. Guidelines, frameworks or statements would serve as a guide for employees and their actions. Therefore, aligned with theory, internal communications are an active encouragement of employees to engage good and active communication behaviors (Mazzei, 2010, p. 231). This is highly consistent with the core idea of this study as everything that the company is (corporate identity) is communicated externally to create the external perceptions of the company (reputation). Consequently, all this must be highly consistent so that Alpha Group can create a reliable image and favorable reputation. Internal communications are therefore in a crucial role for implementing corporate reputation management. Internal communication ensures that the actions taken by the internal stakeholders match with the external perceptions that are created by systematic external communications. All in all inside must match the outside.

When moving on the role of external communication in reputation management, managers saw external communication as a good way to inform about the projects they have done as well as what they have been assigned for and this would indicate that they are a seriously taken firm. This would create a positive image among different stakeholders. However, the focus is nowadays more in the organizations themselves than solely in their product and services. As the purpose of external communication is to create a favorable perception by different stakeholders (Dowling, 2006, p. 83) and enhance the organizational identification to retain or build positive reputation (Van Riel & Fombrun, 2007, p. 77), many managers from Alpha Group are approaching external communication as a tool to manage reputation from different angle. Alpha Group would emphasize its operational competencies rather than their organizational values. As in the end, managers were able to consistently identify the organizational values and other factors that create an overall corporate identity, it was interesting that majority of the respondents did not
see these values to be something that should be communicated externally and build a reputation based on that.

However, it was positive that some of the respondents truly understood the deepest meaning of external communication in reputation management. They would use it as a tool to create an image of a trustworthy organization who respects the employees and emphasize the employees as the most valuable asset to the firm. Overall, communicating the values and creating an image of what kind of company Alpha Group is was seen as an important aspect. Therefore, this view was highly aligned with the idea of management and organization literature, which suggests that corporate reputation is something that is closely connected to organizational identity and culture (Fombrun & Van Riel, 1997). In other words, a reputation is a firm’s internal identity that has an external reflection. By understanding this, firms can more easily manage reputation also within different stakeholder groups, not solely restrict it to client reputation. Communication about operational side may work for clients until some extent, but employees and partners are usually looking for values related to the organization itself and its communicated identity.

5.4 Summary of the Findings

The findings were aligned with the literature, which suggests that engineering managers many times understand the value of intangibles, but due to resources or other limiting factors, they do not make any actions to manage them (Crema & Nosella, 2014). Therefore, managers in Alpha Group were highly aware they should make improvements in their communications and also consider their corporate identity more precisely, but lack of time and financial resources are somewhat restricting them.

![Diagram](image)

**Figure 9. Revised framework of strategizing corporate reputation management.**

By applying the findings and analysis to the framework (Figure 7) of strategizing corporate reputation management, we conducted a revised version of it (Figure 9). **Honesty** and **trustworthiness** were identified as the most important values of Alpha Group. In addition, the organization was characterized as a relaxed place to work where is a good work atmosphere. The hierarchy of the organization was considered low and the organization did not have any communication barriers. However, the desired corporate identity has not even been considered or emphasized by the top management. Therefore, a lack of internal communication strategy and strong management
communication cause the unclear corporate identity among its employees. In the end no one was able to clearly tell about the organization’s corporate identity.

As Alpha Group does not have an easily identifiable corporate identity, they have not engaged with any external communication strategy or strong marketing communication practices to promote the organization. Surprisingly, they do have a good reputation, but it is solely associated to the operational activities and perceived by the clients. Therefore, we could say that it is possible to establish a good reputation in some context without engaging in the systematic management of corporate reputation. However, based on our findings and theory, it could be suggested that reputation is then unlikely to be sustainable. Alpha Group is a great example of how big impact the lack of communication has in the organization as lack of communication seemed to be connected to many different issues.
6. CONCLUSIONS

In this chapter, our study results will be concluded, and we will answer our research question. Furthermore, practical recommendation for Alpha Group are presented. We also reflect upon the theoretical, managerial and societal contributions and the limitations of our study are presented. Lastly, we finish the chapter by providing our recommendations for future research.

6.1 General Conclusions

The purpose of this thesis is to gain deeper understanding of the prevailing corporate identity and communication in SME and how to utilize these as an antecedent of corporate reputation. To achieve that purpose, an exploratory study was conducted with the top and middle managers of Finnish company Alpha Group, where we explored how corporate reputation is managed and whether their corporate identity and communication is managed for this purpose. By conducting a qualitative study, we have been able to reach extensive understanding of our topic and answer our formulated the research question:

“How can corporate identity and communication be used for reputation management in Alpha Group?”

The findings from our interviews showed that the top and middle management perceive the reputation of Alpha Group as good and it is perceived bringing a competitive advantage for the firm. This holds true as at they do not have a problem acquiring customers and working sites and have even been able to survive through financial distress due to their good reputation that is formulated by their trustworthiness and high quality of work. We were able to distinct that this reputation has formulated over the years based on their operational functions, rather than being systematically managed. However, it was noted that this favorable reputation only serves for one stakeholder group, Alpha Group’s customers and currently for the other stakeholder groups reputation is not hosted. Therefore, as this case shows, firms can potentially acquire favorable reputation without any systematic management of its corporate identity or communications, but if one desires to establish sustained corporate reputation in all stakeholder groups, corporate reputation management is required.

We could identify that implementation of decisions and plans made in the top management level is one of the problems at Alpha Group. This could derive from the issue that they lack a clear organizational structure, where the task division and areas of responsibility are defined. When it comes to intangible resource management within the organization, there is not a clear understanding of own as well as other managers areas of responsibility. This could be because the management culture is currently vague, which is caused by insufficient active management from the very top management and the organization is lacking monitoring on the implementation of decisions agreed on the top management level. On the contrary, even if not actively managed, the prevailing operating culture seems to be favorable according to the members of the organization and there prevails an open atmosphere to work. This relates to that Alpha Groups corporate identity is not managed and there is insufficient communication for both internal and external stakeholder groups. The main reason for unmanaged intangible resources seemed to be the lack of resources, mostly lack of time and that the division of responsibility on this
matter is vague. Hence, the management of corporate reputation also requires strong management that can allows implementation of these strategies, including resource reconfiguration.

It is top management’s issue to have the vision and aims, which will reflect on the corporate identity for acquiring desired corporate identity within the organization. At the moment, the company’s core values are not brought up within the organization which would further effect on the overall corporate culture and serve as a guideline for every action within the organization that would lead to consistency in employee behavior which in turn would project to external stakeholders. The goal is to have one corporate identity within the whole Alpha Group, which is not currently fulfilled entirely. This could be identified to be due to a lack of systematized interaction between the entities. Since the desired identity is missing, there is no a strategy or a plan behind all the communication, which would ensure the consistency with the communication and that the wanted aspects of the organization would be signaled outside the organization. Consistency throughout the organization and in its strategies would contribute on the shaped corporate reputation.

There is a lack of and inconsistent internal communication of the corporate identity that would communicate the corporate values and strengthen the united corporate identity. Current internal communication practices are not up to date, which causes lack of information flow within the organization. Furthermore, a lack of external communication to external stakeholders is not consistent and is not focused on the right aspects in order to it to create favorable reputation for the organization currently. Also, the most appropriate external communication channels are not utilized. Currently Alpha Group does not have a goal or strategy for its internal nor external communications. Thus, organizational goals are not aligned with the communication strategy. This shows that in order to gain reputational outcomes, and create an consistent corporate identity among all stakeholder groups, Alpha Group must engage with stronger management and communication practices. This case is demonstrating how the lack of corporate communications restrict the organizational development. Therefore, in order to use corporate identity and corporate communication for corporate reputation management, both have to be aligned with the corporate strategy. With that, the organization can use its corporate identity to promote the organization itself by strong corporate communications. This creates a consistent and identifiable image of the organization in all stakeholder groups.

Altogether, it is identified that the core of the problems lies in the formal communication systems, which is easier to change within the organization by applying more systematized procedures, than informal communication within the organization. Thus, it is safe to say that there are a lot of unharvested potential that can be utilized by implementing a systemized procedure for communications within the organization, which is the top management responsibility. After all, it is crucial for the top management in organizations to realize that “a good corporate reputation signifies trust in the company; creates an emotional and intellectual bond with employees, target customers, and other important stakeholders; and acts as the source of authority and credibility for all the organization’s dealings” (Dowling, 2004, p. 34).

6.2 Practical Recommendations for Alpha Group
This study has been made as a commission for Alpha Group and based on the findings and analysis, in this section we provide more detailed practical recommendations to answer the question how Alpha Group and also other similar organizations can use corporate identity and communication for reputation management. We believe that these recommendations can enhance the overall performance of Alpha Group and these recommendations have taken into consideration the scarcity of resources in SMEs. Therefore, the implementation of these recommendations is highly achievable, but it requires that the whole organization is committed to this change.

First, as Alpha Group has a corporate identity, which is hidden deep inside the organization’s fundamental behavior and core being, these values have to be clearly identified as well as emphasized more clearly by the top management. The top management has to ask, “What kind of organization Alpha Group is?” Based on this study, values such as trustworthiness and honesty are representing the desired and actual corporate identity characteristics of Alpha Group. Every employee has to be able to identify these values and also act according to them. In the end, this would serve as a guideline for every action within the organization that leads to a consistency of employee behavior. This all together further effect on the overall corporate culture. The top management is in a crucial role when communicating these values to the organization and they have to act as leaders for change.

As Alpha Group lacks a real-time internal communication channel, it has to establish a channel to continuously communicate to all internal stakeholders. New emerging technologies provide a number of different internal communication channel possibilities that are convenient, easy to use and real time. Smartphones are providing a great opportunity to reach employees wherever they go and usually these mobile internal communication channels are also suitable for desktop use for the employees who are not engaged with smartphones. Fully integrated internal communication channel would gather all the information and communication under the same channel. This would reduce the scattered internal communication practices that are present at the moment in Alpha Group. Then everyone in the organization can follow the on-going basis what is going on in the organization. These channels are a great way to strengthen the management communication, but also make it available for everyone no matter the location to engage in more informal conversations.

In order to have a clear strategy with corporate communication, the top management should think about the goals they want to achieve with their communication. As a competent workforce is one of the competitive advantages for the company, Alpha Group might want to establish a stronger commitment and feel of belonging among employees and make them aware of prevalent changes in order to enhance the understanding. All this would motivate the employees, increase the transparency of the organization and make Alpha Group more attractive as an employer. When employees are continuously informed about news related to the organization, management’s thoughts, and strategic direction, this allows employees to actually commit and feel considered in the organization. It is also suggested that this communication is cross-functional and therefore it also encourages all the internal stakeholders to communicate with each other. Therefore, the goal of internal communication is not only about informing employees, but also establish bottom-up communication.
Since the goal is to have one corporate identity within the whole Alpha Group, it is the top management issue to make sure that this is the case. In order to fix the gap between the separately located entities, more and systematized interaction between the entities are suggested. Therefore, the top management should focus on reducing the scattered feeling among different business entities and make Alpha Group more united. Internal communication cannot be solely based on informal communication during coffee breaks, but it has to include systematic management communication that considers all employees all over Finland. This can involve monthly Skype meetings with all business unit managers and just informing everyone about everything through earlier recommended internal communication channel. In addition, it is suggested that the top management creates consistent processes, protocols, and standards for communication that is applied in every business unit. This way the information flow is continuous and consistent between different business units and sites all over Finland.

In the employer perspective, these corporate culture and values identified by the top management can be further emphasized by bringing them also in the recruitment processes. When trying to acquire and attract new talented people to the organization, describing the company is not only about what the company is doing operationally and what are the tasks for the specific job. Additionally, it should try to promote the organization itself and create an image of the corporate culture that can be expected in the organization. Moreover, values such as “honesty” and “trustworthiness” could be emphasized for example in new employee orientation situations. This enables new employees to adopt the desired corporate identity easier and help to prevent situations where employees start to create their own corporate culture that is nothing like a founder or the top managers have imagined.

As Alpha Group desires to take a strong stand in social media in the future, these internal aspects should first be aligned. The suggestion is that same values that top management has identified and emphasized internally, should also be communicated to external audiences. This creates an accurate image of the organization, not only about its operational side, and helps to build reputational capital that is tied into the organization itself. This helps to attract employees and create new relationships within the industry as external stakeholders are able to view the company as an attractive organization whose values are identifiable. Everything that Alpha Group decides to communicate outside, should be aligned with its corporate values, culture, mission, and vision. The key to successful communication is the consistency of the content as it has to create a consistent image of the company. This hopefully helps to strengthen Alpha Group’s reputational capital in all stakeholder groups, not only among clients. When revising our framework of strategizing corporate reputation management, Alpha Group must consider corporate identity, corporate communication and corporate reputation as a process.

As the last words, it is suggested that Alpha Group engages with a stronger management culture that allows the implementations of these recommendations. As the organization is representing a flat organization type, there should be more clear responsibility areas when it comes to managing other than operational job tasks. The top management has to define clear areas of responsibility for managers when it comes to implementing tasks supporting the intangible resource management. After these responsibilities are defined, the top management has to hold these managers responsible for the implementation. Setting strategies and deadlines for each proposed improvement is crucial for successful implementation. After all, the top management of Alpha Group must rethink its resource
allocation and think ways how it can provide necessary resources to middle managers to implement necessary improvements in intangible resource development.

6.3 Study Contributions

6.3.1 Theoretical contributions

This study aimed to contribute to the fundamental theory of resource-based view with a more recent perspective by adding a holistic view of corporate reputation management to it. Considering the small and medium-sized enterprises’ (SMEs) scarce resources, this study gave a new perspective to the context. We believe that our qualitative study achieved this purpose by truly understanding the prevalent situation in the SME setting in terms of intangible resource management as a whole. We contributed by the understanding of how this extensive theory could be applied in a practical environment. This research was able to bridge the research gap of gaining an in-depth understanding of narrowing down the gap between corporate identity and corporate reputation, which has been studied by Markwick and Fill (1997); Gray and Balmer (1998) and De Chernatony (1999). In addition, our study compliments the research, which have studied the importance of consistent corporate identity (Burmann, 2005) and the essence of corporate communications when managing corporate identity (Gupta, 2016).

We were able to go beyond conceptualizations and interrelations of corporate reputation and corporate identity. Further, we contributed to the corporate communication theory by exposing challenges to implement different communication strategies for SMEs. After all, this study demonstrated how firms’ tangible resources are connected to intangible resource management, such as corporate reputation management, and was aligned with the literature (Schriber & Löwstedt, 2015).

6.3.2 Managerial contributions

Based on our empirical findings, we found evidence that many managers actually understand the cruciality of intangible resources in nowadays business environment, but a more precise understanding of how these resources can be utilized is slightly blurry. This was also supported by theory (Huggins & Weir, 2007; Crema & Nosella, 2014). Therefore, we believe that this study contributes to the managers and other practitioners in a way that they would understand managing corporate reputation as a process that requires continuous and systematic actions. During and after the interviews many of the respondents seemed to be inspired by the themes and topics we covered. It could be said that many managers in SMEs know that certain things, such as communication, should be done better, but lack of resources is making it harder. Therefore, intangibles are easily left behind because the operational side has been seen more important. With this, we believe that our holistic framework that identifies corporate identity as an antecedent of corporate reputation and uses corporate communication as a tool to narrow the gap between these two is creating a better understanding of the phenomenon.

We believe that this study can motivate SMEs’ managers to be engaged with better corporate communication strategies and practices as we can see that corporate communication is the core for many problems. Therefore, managers in SMEs should think if their internal communications systems are up to date and serve the organization’s overall strategy. Based on this study, we encourage managers to clearly identify corporate identity as it can foster corporate reputation among several stakeholder groups if the organizational is at the same time committed to strong corporate communications,
including management- and marketing communications. Also, managers in B2B SMEs should be engaged with social media in order to serve its all stakeholder groups and promote the organization itself. Social media has been seen as a marketing channel for B2C firms, but also managers in other firms should start to see the potentiality there to create a favorable image of the organization. For example, make it as an attractive employer or partner that all stakeholder groups can identify. When the identity is considered and internal as well as external communications are utilized to promote the organization itself, managers have the better changes to manage their corporate reputation systematically. Then the reputation is not solely associated with the operational side.

6.3.3 Societal contributions
As SMEs are the cornerstone of many societies, especially in Finland where this study has been conducted, we believe that our study has important contributions to society. Worldwide, SMEs are representing over half of the economy and in countries like Finland, they are creating the vast majority of employment opportunities. We believe that this study would contribute to societal good by encouraging Finnish SMEs to develop their management practices to be more up to date for prevalent competitive environments. Enhanced business performance in SMEs will further positively affect the local communities and contribute to economic wealth.

We wish that SMEs would understand the importance of corporate identity and seek actively to enhance their organizational characteristics. When also engaged with better communication practices, this also can increase the commitment and feel of belongingness of employees towards the company. In the long run this contributes to the wellbeing of employees working in SMEs. When organizations are increasingly considering corporate values and cultures as an important aspect of their operations as well as considering corporate communication an important tool to engage employees, this has an impact on overall expectations towards companies. Organizations will become increasingly employee oriented and value openness and transparency in their operations. This impact also employee behavior as employees can increasingly demand management practices that consider employees and organization as much as their operations.

6.4 Study Limitations and Future Research
Our choices made that limits this research and justification on these choices will be presented. We want to make our study more comprehensive by clarifying the limitations of this study. The limitations of this study are threefold. First, perspectives of corporate reputation and corporate identity can be studied from an internal and external perspective, or by studying both sides. As our study considers the perceptions from organizational, which is the internal perspective, it only considers their view on the topic and not take into consideration the external stakeholders’ perspectives. This means that we are relying only on internal views and the organizational perspective. Hence, there is a change that the answers are skewed. Since our study focused on internal stakeholder groups, we suggest that future researchers should conduct qualitative interviews with external stakeholder groups of the organization to better understand also the external perception of the company reputation.

Secondly, since we are collecting empirical data from Finland, the limitation has been made when considering the geographical location and therefore the outcomes will not be
fully applicable to other countries. Additionally, since the qualitative approach was chosen and only one organization within one industry (industrial installations) was studied to gain a deeper understanding on that specific context in SME, the study cannot be generalized and applied to different contexts. Our study was focused only in one company in Finland, therefore we suggest future research could study similar phenomena in a different context, for example from different industry or country or for a large organization, to be able to compare whether the results are similar. Also, since the chosen case company does not currently manage their reputation to fit the study purpose, future studies could be made form a company that does actively manage their reputation for further perspective and comparison.

Thirdly, since the only top and middle management of the organization were interviewed the obtained answers might be biased in regards that better image of the company is wanted to be brought outside the company. Moreover, the answers are limited only to management level perception and do not represent the whole organization's perception of the topic. Suggestion for the future research would be to study employee perceptions on the subject from the lower level of the organization, this would bring different viewpoint and possibly less biased answers on the topic since the participants are not the decision maker within the company. Additionally, we think that a longitudinal study could be interesting to conduct, to see how perceptions of Alpha Group’s reputation is shaped over time. With our limitations considered, we believe that our research will contribute with additional insights into the area of corporate reputation management process within SMEs.

6.5 Truth Criteria

Quality criteria may be considered when assessing the degree that the research contributes to the field of research. Truth criteria is a part of measuring the value of the research (Agostinho, 2005). Therefore, it is crucial to consider the correctness of the findings when conducting any research (Saunders et al., 2009, p. 156). There are different critical quality criteria that are used for researches. In general, reliability, validity (internal validity) and generalizability (external validity) have been seen the crucial criteria to be considered when assessing the quality of research (Saunders et al., 2009, p. 157-158; Noble & Smith, 2015, p. 34). Reliability reflects the repeatability of the study, meaning that the research should provide the same results if conducted again (Saunders et al., 2012, p. 192). At the same time, validity is looking for the extent that a study measures the research’s aim and if the results express the phenomenon of the research (Collins & Hussey, 2014, p. 53).

However, when taking into consideration the nature of this study, which is qualitative, these criteria are hard to meet with a qualitative study setting. Noble and Smith (2015, p. 34) state that measures utilized to test the validity and reliability of quantitative research cannot be exploited in qualitative research as qualitative studies are unique and always depended on the study at hand (Bryman & Bell, 2011, p. 408). In this study, the findings conducted from the semi-structured interviews can be interpreted in number of different ways and thus, cannot be repeatable. They give an understanding of a prevalent reality of the specific SME and these understandings may be subject to changes. Whereupon, in qualitative research there are two main quality criteria, which are authenticity and trustworthiness (Guba & Lincoln 1994). These have been seen more accurate measures for qualitative research and especially in a context where constructivism paradigm is
applied (Lincoln & Guba, 1994, p. 112). Trustworthiness involves criteria of credibility (internal validity), transferability (external validity), dependability and confirmability, whereas authenticity considers criteria of fairness, ontological authenticity, catalytic authenticity and tactical authenticity (Lincoln & Guba, 1994, p. 114).

Credibility being one criterion of trustworthiness, it is established by the research describing one’s experiences as a researcher and verifying the results of the research the participants (Cope, 2014, p. 89). Patton (2002, p. 14) states that the credibility in qualitative research is dependent on the researcher as “the researcher is the instrument”. Therefore, credibility ensures that the study is appropriately conducted by following criteria of good practices when interpreting the findings to the readers (Bryman & Bell, 2011, p. 396; Polit & Beck, 2012). As in this study, the researchers familiarized themselves with an extensive amount of previous research to establish a baseline for the study, the credibility criterion would be considered to be fulfilled. Considering Patton’s (2002, p. 247) statement that research should involve a process of using several methods and sources of information indicates the utilization of triangulation in the research. This triangulation also suggests combining qualitative and quantitative approaches in the study. However, this is seen to be fulfilled also in a solely qualitative study when conclusions are drawn by using multiple methods, including interviews, observation and notes throughout the research (Cope, 2014, p. 90). Therefore, the interpretation of the findings was not conducted solely by using the answers from the interviews, but also observing the respondents during the data collection phase and acquiring other additional perspectives of the phenomenon in the company (e.g. company web-page). All this was combined with the fundamental theories of research based-view, the framework of managing corporate reputation as well as the framework of managing corporate identity. Whereupon, conclusions were not solely drawn from the interviews themselves, but they were supported by the contextual data.

When it comes to transferability, it refers to results that are applicable to other settings of the phenomenon so that it provides generalizability (Collins & Hussey, 2014, p. 172). Thus, Lincoln & Guba (1985) suggest that the contextual data that enables other researchers to determine whether they can transfer the findings matter more than the actual transferability. Therefore, qualitative research has met the criterion of transferability if the findings matters to the individuals not associated in the study and readers can relate the findings with their personal experiences (Cope, 2014, p. 89). However, this requires a sufficient amount of information and research context (i.e. thick description) so that the reader can evaluate the transferability (Bryman & Bell, 2011, p. 398; Cope, 2014, p. 89). This study does not aim to generalize the phenomenon of corporate reputation management overall, but we believe that this knowledge and conclusions can serve a basis to understand the holistic nature of the phenomenon. Therefore, results can be, at some degree, generalizable in SME context when managers can identify to the findings of this thesis. After all, as the process, context and findings of this study have been provided with a great detail, this allows the reader to assess whether the transferability criterion is met.

Confirmability considers whether the researcher is “acting in good faith” (Bryman & Bell, 2011, p. 398). The researcher must remain objective and establish confirmability by describing the process how conclusions and interpretations of the findings were conducted (Cope, 2014, p. 89). In qualitative research this involves providing rich quotes from the respondents (Cope, 2014, p. 89). The purpose of increasing the confirmability is
to leave an audit trail and reduce the risk of biases (Lincoln & Guba, 1985). As authors of this study have provided a rich detailed description of methods of data collection as well as provided direct quotations, transparent thematic analysis and detailed description how the analysis of the data was done, the confirmability assessed in this study could be seen solid.

Dependability in qualitative research contiguously corresponds to the perception of reliability in quantitative research (Lincoln & Guba, 1985, p. 300). This means that similar consistent data is acquired also in other similar conditions so that the same results can be achieved if other researcher follows the same decision trails at each stage of the research process (Cope, 2014, p. 89). However, this requires a systematic, strict and comprehensively documented research. This study has followed a specific protocol throughout the progress. Meaning that we have provided an access to all the data, information and decisions with justifications related to the study conducted in order to fulfill the dependability criteria.

The last, authenticity, is tightly linked to credibility as it involves a reflection of the meanings and experiences that are experienced and perceived by the respondents (Sandelowski, 1986). Therefore, it refers to the capability and extent to which the researcher is able to externalize, in faithful manner, the feelings and emotions of the participants (Polit & Beck, 2012). By meeting the criteria of authenticity, readers must be able to grasp the substance of the experience through the direct quotations of the respondents (Cope, 2014, p. 89). Prior interviews, researchers were open about the aim of this study and all respondents were aware of the intentions of this research. This enabled researchers to assess an authentic data in the first place. Moreover, we represented distinct views of individual respondents so that a reader can reflect their personal experiences of the phenomenon. Direct quotations were used in order to increase the authenticity as well as enhance ability to catch the feelings and emotions of the participant towards the topic under investigation.
REFERENCES


### APPENDIX

#### Appendix 1: Interview Guide

**Middle Managers:**

<table>
<thead>
<tr>
<th>Background Questions</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.</strong> How long have you been working in Alpha Group?</td>
<td>General understanding of the current situation of (intangible) resources and their management</td>
</tr>
<tr>
<td>What are your main responsibilities?</td>
<td>(Barney 1991)</td>
</tr>
<tr>
<td><strong>Resources of the Firm</strong></td>
<td></td>
</tr>
<tr>
<td><strong>2.</strong> What would you consider as Alpha Group’s competitive advantage / main asset?</td>
<td></td>
</tr>
<tr>
<td>o How much the firm invest resources (time, money…) on the management of intangible assets (e.g. reputation)?</td>
<td></td>
</tr>
<tr>
<td><strong>Corporate Identity</strong></td>
<td>Understanding of perception of prevalent corporate identity?</td>
</tr>
<tr>
<td><strong>3.</strong> How would you describe Alpha Group’s reputation?</td>
<td></td>
</tr>
<tr>
<td>o Would you consider it as an asset/resource for Alpha Group?</td>
<td>(Dowling, 2004)</td>
</tr>
<tr>
<td><strong>Dimensions of Corporate Identity</strong></td>
<td>Understanding of prevalent organizational identity</td>
</tr>
<tr>
<td><strong>4.</strong> How do you perceive Alpha Group’s corporate identity? (definition of corporate identity will be provided)</td>
<td>(Cheney and Christensen, 1999)</td>
</tr>
<tr>
<td><strong>5.</strong> How do you see corporate identity is connected to corporate reputation?</td>
<td>(Gray &amp; Balmer, 1997)</td>
</tr>
<tr>
<td><strong>6.</strong> How would you describe Alpha Group’s organizational culture?</td>
<td>(Balmer and Shoenen, 1997; Melewar, 2003)</td>
</tr>
<tr>
<td>o Values</td>
<td></td>
</tr>
<tr>
<td>o Hierarchy</td>
<td></td>
</tr>
<tr>
<td>o Norms</td>
<td></td>
</tr>
<tr>
<td><strong>7.</strong> How would you describe Alpha Group’s organizational behavior in terms of interaction?</td>
<td>(Topalian, 1984; Melewar, 2003)</td>
</tr>
<tr>
<td><strong>8.</strong> How would you describe the structure between Alpha Group’s entities in terms of sharing the same identity?</td>
<td>(Olins, 1986; Melewar and Karaosmanoglu, 2006)</td>
</tr>
<tr>
<td><strong>9.</strong> How would you describe the importance of earlier mentioned topics related to Alpha Group’s corporate reputation?</td>
<td>(Gray &amp; Balmer, 1998)</td>
</tr>
<tr>
<td><strong>Internal Communication</strong></td>
<td>Understanding of the prevalent internal communication practices</td>
</tr>
<tr>
<td><strong>10.</strong> How would you describe Alpha Groups’s internal communication practices?</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>How would you describe the challenges you have faced with internal communication?</td>
</tr>
<tr>
<td>12.</td>
<td>How could you use internal communication to strengthen the identity?</td>
</tr>
<tr>
<td><strong>External Communications</strong></td>
<td>Understanding of the prevalent external communication practices</td>
</tr>
<tr>
<td>13.</td>
<td>How would you describe Alpha Group’s external communication practices?</td>
</tr>
<tr>
<td>14.</td>
<td>How you can use external communication to develop or build reputation?</td>
</tr>
</tbody>
</table>

**Top Management:**

<table>
<thead>
<tr>
<th><strong>Background Questions</strong></th>
<th><strong>Goal</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.</strong></td>
<td>How long have you been working in Alpha Group? What are your main responsibilities?</td>
</tr>
<tr>
<td><strong>2.</strong></td>
<td>What would you consider as Alpha Group’s competitive advantage / main asset?</td>
</tr>
<tr>
<td></td>
<td>o How much the firm invest resources (time, money…) on the management of intangible assets (e.g. reputation)?</td>
</tr>
<tr>
<td><strong>3.</strong></td>
<td>How would you describe Alpha Group’s reputation?</td>
</tr>
<tr>
<td></td>
<td>o Would you consider it as an asset/resource for Alpha Group?</td>
</tr>
<tr>
<td><strong>Corporate Identity</strong></td>
<td>Understanding of desired corporate identity from strategy point of view</td>
</tr>
<tr>
<td><strong>4.</strong></td>
<td>How the corporate identity is emphasized by the top management?</td>
</tr>
<tr>
<td></td>
<td>o Could you elaborate Alpha Group’s mission and vision?</td>
</tr>
<tr>
<td><strong>5.</strong></td>
<td>How do you see corporate identity is connected to corporate reputation?</td>
</tr>
<tr>
<td><strong>Dimensions of Organizational Identity</strong></td>
<td>Understanding of prevalent organizational identity</td>
</tr>
<tr>
<td><strong>6.</strong></td>
<td>How would you describe Alpha Group’s organizational culture?</td>
</tr>
<tr>
<td></td>
<td>o Values</td>
</tr>
<tr>
<td></td>
<td>o Hierarchy</td>
</tr>
<tr>
<td></td>
<td>o Norms</td>
</tr>
<tr>
<td><strong>7.</strong></td>
<td>How would you describe Alpha Group’s organizational behavior in terms of …</td>
</tr>
</tbody>
</table>
8. How would you describe the structure between Alpha Group’s entities in terms of sharing the same identity? (Olins, 1986; Melewar and Karaosmanoglu, 2006)

9. How would you describe the importance of earlier mentioned topics related to Alpha Group’s corporate reputation? (Gray & Balmer, 1998)

**Internal Communication**

Understanding of the prevalent internal communication strategy

10. How would you describe Alpha Group’s internal communication strategies?

11. How would you describe the challenges you have faced with internal communication? (Welch & Jackson, 2007; Huggins & Weir, 2007)

12. How could you use internal communication to strengthen the identity? (Markwic & Fill, 1997; Gray & Balmer, 1998)

**External Communications**

Understanding of the prevalent external communication strategy

13. How would you describe Alpha Group’s external communication strategy?

14. How you can use external communication to develop or build reputation? (Gray & Balmer, 1998)

**APPENDIX 2. THEMATIC NETWORK ANALYSIS**

**First level theme: Resources**

**Second level theme: Competitive advantage**

- Trustworthiness and expertise
- Skilled workforce and expertise
- Trustworthy reputation and tools
- Largest installation company, best equipment, long history in field, reputation
- Tailored products and quality product, flexibility, pervasive
- Expertise in installations, quality equipment, special material
- "Big house" perks

**Investing in Intangible Resources:**

- Minimal
- Marketing and sales is undeveloped
- No time for it

**Reputation:**

- Good, suffered a bit from financial distress
- Benefits the company a lot
- It is competitive advantage
- Get references all the way to abroad as well.
• Professionalism from customers and client’s perspective, not as good from other stakeholder groups perceptions
• Honest and fair
• Not managed

First level theme: Corporate Identity:
• Difficult to elaborate on
• Comes more from operational things than from values
• Not thought through
• Not clear and consistent
• Industrial piping project activities, development of the operations on the field and special metals
• Laid back, good attitude for working

First level theme: Components of Corporate Identity

Second level theme: Mission & Vision
• Vision = To be all-encompassing installation firm
• Can't remember mission, vision or values.
• Not implemented
• Cannot tell, something that everyone should know, but does not
• Growth
• Inexistent mission and vision
• No knowledge about them
• I have tried to ask but no clear answer

Second level theme: Culture
• Honesty and something that we can stand up for
• Maybe even too good friends with each other, relaxed environment, but at the same time nothing happens
• No hierarchy
• Open atmosphere, open doors at office
• Not a clear organizational map. No clear direction and power.
• Open, no hierarchy
• Trustworthiness, good attitude towards working, down-to-earth people

Second level theme: Behavior, interaction
• Could be better
• Yes, both ways. But it is more gradual. Ideas and feedback come late so not always continuous interaction
• Not good nor bad, but communication is bad and there is lack of leading
• Easy to approach everyone and information flows
• Easy to approach, but no implementation of ideas, always too late
• No hierarchy, no barriers to communicate, open
• Easy to approach everyone. But if something is wanted to get done, you have to do it on your own

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Structure: identity between entities
- Should be the same, but it is not. Different ways of doing things
- Should be shown as a one organization
- United, there is communication
- Separate entities, no feeling of togetherness, no communication
- Shared identity. Difficult to communicate between entities
- Should be one identity, Alpha Group as a whole
- Should be the same, but the organizational structure is not clear and it is not clear what the others are doing

First level theme: Internal Communication:
- No strategy or plan.
- Lack of strategy, New internal communication channel needed
- Some regular communications have been implemented
- Alpha news, @. Not that much internal communication used for communicating information
- Phone calls, e-mails, only communication within unit
- No intranet
- No specific channel
- Should be improved

Challenges:
- Need to be improved. Employees need more information what is going on within the company (e.g. new deals)
- Lack of person in charge causes problems.
- Lack of internal communication system
- Everyone should have direction, why and what. Information flow is not working currently
- Entities are not connected, far away from each other, inconsistent
- Information does not reach everyone, no access to everyone’s @, how to reach good employees (HR perspective), which channels to use
- Location barriers (do not know much about other entities)

First level theme: External Communication
- No strategy, very bad, but it is under planning
- No guidelines. Everyone just does how they feel. Overall, we need improvement
- No one's responsibility
- Inexistent, F2F meeting with customers
- Minimal, Facebook is utilized a bit
- Personal contact, in touch to stakeholders via phone
- Facebook, LinkedIn, website. It has been dead until now.
Second level theme: What is wanted to Communicate

- Bring up the advantages (technology, tools) and new big deals
- Should highlight our strengths and make them more visible. When it comes to values, good work environment because of colleagues.
- Update our future/past projects. To show our expertise and highlight some values that people want to come work for us
- Targeted communication, activate social media and bring out good things about the company and things that has been developed
- Good attitude and atmosphere at work, that its good place to work, that its one entity, be more visible, bring out positive news
- Some policies for communication needed, promotion of other entities, bring out openness
- No policies, could be used for recruiting
- First of all, just to inform that we are alive. Then create an interesting image