Management Challenges in the identification of Organizational Identity and Corporate Reputation as Intangible Assets

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Abstract: Based on intellectual capital models and reports, companies identify and define Organizational Identity and Corporate Reputation as strategic intangible assets capable of generating sustainable competitive advantages. From an interpretative perspective, Organizational Identity is the result of a social process of self-description and it reflects internal stakeholders' general agreement on "who they are as an organization". From a perceptive paradigm, Corporate Reputation is the result of a social process that occurs on the external stakeholders' level and it reflects their perception on "what the organization assumes to be". We propose a theoretical and empirical analysis, based on the case study strategy, of the relationships and differences between these two concepts. We aim to highlight the variables that are critical for managing a company's Intellectual Capital focusing on the social processes of developing the Organizational Identity. The result is the identification of cultural intangible assets that practically represent the 'memes', that is, ideas, style or behavior that spread from person to person in an organization.

Keywords: corporate reputation; intangible assets; interpretative approach; knowledge management; new technology based firms; organizational identity

1. Introduction

In the current economy, knowledge has become a key asset for organizations to manage since it allows them to gain sustainable competitive advantages. Nowadays, the competitive organizational environment changes rapidly and transforms knowledge into a critical factor for the adaption process (Conner and Prahalad 1996; Grant 1996; Spender 1996). Based on intellectual capital (IC) models and reports, some organizations identify and define the intangible assets as Organizational Identity and Corporate Reputation (Bueno and CIC-IADE 2012; Bueno et al. 2014; Villafañe 2013). Organizational Identity has been described as a key factor for strategic change and analyzed in relation to Organizational Capital (Bueno et al. 2010; Glynn 2000; Nag et al. 2007; Scott and Lane 2000). But, there are very few studies that analyze the relationship between Organizational Identity and Corporate Reputation, two IC components.

An organization's individual knowledge can be transformed into social knowledge and it can be shared through oral or written communication (Bueno 2005; Cook and Brown 1999; Quinn 1992; Von Krogh and Roos 1995). Albert and Whetten (1985) coined the term "Organizational Identity" and defined it as a self-reflective question (Who we are as an organization?) which captures the organization's central, enduring and distinctive features. From an interpretative paradigm Organizational Identity is developed by the internal stakeholders through interaction and it reflects their agreement on who they are as organization. In other words, it is the result of a social process of self-description (Bueno et al. 2010; Gioia 1998; Longo 2010). Hence, the development of organizational knowledge and the construction of Organizational Identity have two elements in common: the interaction that facilitates communication between members and the company's self-description. Besides, when employees are focusing on the main characteristics of their company, they are creating filters for selecting knowledge and also for coordinating practices, decisions, opinions, actions and strategies (Brown et al. 2006; Bürgi and Oliver 2005; Gioia and Thomas 1996).

Corporate Reputation defines stakeholders' judgment about an organization's characteristics. It includes stakeholders' emotional reactions and the knowledge they possess regarding the identity of the company and what it stands for (Villafañe 2004, 2012). If Organizational Identity reflects an internal perspective on what the organization is, Corporate Reputation emphasizes an external one. In other words, the first concept highlights how the organization is seen from the inside while the second one brings forwards how the company is seen from the outside.

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Starting from these, we aim to develop an exploratory research which combines the theoretical analysis with the empirical one. We use the case study strategy in order to analyze the relationship between Organizational Identity and Corporate Reputation. This objective arises after nine years of experience in the application of the Intellectus Model which identifies, measures, and manages, in a systematic way, a company's IC. It includes Organizational Identity and Corporate Reputation (Bueno and CIC-IADE 2012; Bueno et al. 2014) and it focuses on the advances made in the area of organizational identity analysis (Acosta and Longo 2013; Bueno et al. 2010; Longo 2010) and corporate reputation, perceived as an image of the organizational identity (Berens and Van Riel 2004; Villafañe 2004, 2012). These lead us to suspect that there is a misunderstanding in identifying the IC elements which may generate their unsuitable management and the lost of competitive advantages. From a theoretical and practical point of view, managers will benefit from clarifying these concepts. On the one hand, it will help them strengthen their competitive advantages. On the other hand, it will improve their decisions and efficiency and will sustain their growth.

We start this article with a literature review regarding the concepts of Organizational Identity and Corporate Reputation. Then, we use multiple case studies in order to emphasize the processes involved in Organizational Identity development. Starting from these, we adopt an interpretative approach and bring forward the connections between Organizational Identity and Corporate Reputation. In the end, we synthesize the main results and highlight some further research directions.

2. Conceptual analysis

2.1 Organizational identity analysis from the perspective of organizational capital

In the current knowledge-based economy, knowledge has become critical for gaining sustainable competitive advantages (Lev 2001; Low 2000) and wealth creation (Edvinsson and Malone 1997). Thus, since the last decade of the 20th century, the researchers from the Strategic Management field concentrate on levering knowledge as a strategic organizational resource (Bueno et al. 2006; Teece 2000). Knowledge has many ways of circulating in a firm. It can be shared using oral language (e.g. stories and specialized jargon) or written language (e.g. procedures) (McDermott 1999). When employees are observing and discussing their work routines, they are actually exchanging experiences, developing a process of *sensemaking* and sharing knowledge. These generate intangible assets which have already been recognized by the market. Therefore, when developing strategies for identifying, measuring and managing knowledge, managers must take into account the impact that social processes, such as interaction and *sensemaking*, have on sharing and expanding knowledge (Bueno et al. 2010; Nonaka and Takeuchi 1995; Polanyi 1969).

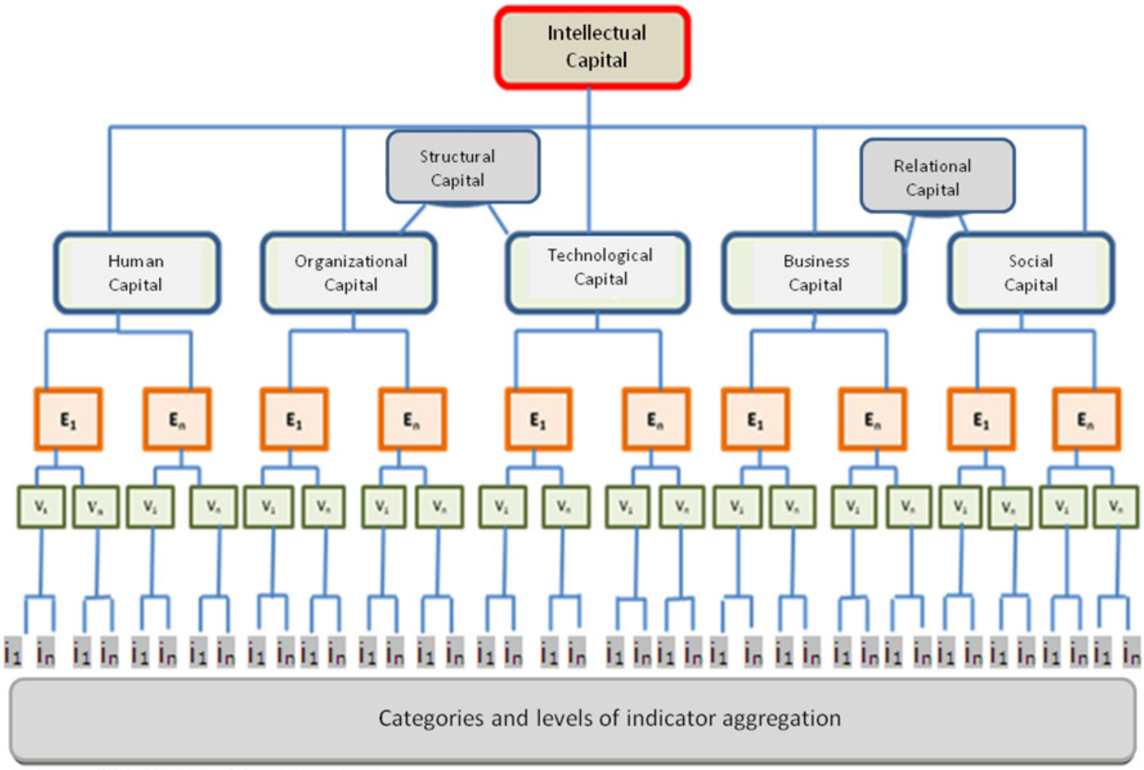
The concern about the systematic and holistic identification, measurement and management of organizations' intangible assets was reflected by the application of IC models. IC is generally defined as the intellectual material or intangible assets that can be used to create wealth. It includes organizational processes, technologies, patents, employees' skills and also information about customers, suppliers and other stakeholders (Bueno 1998, Edvinsson and Malone 1997; Sveiby 1997). Although IC categories differ slightly, 3 dimensions are generally accepted: Human, Relational and Structural Capital (Bueno and CIC-IADE 2012; Kaufmann and Schneider 2004).

Only Structural and Relational Capital are relevant for our analysis on Organizational Identity and Corporate Reputation. On the one hand, Structural Capital reflects the accumulated value or wealth generated by current organizational knowledge. It belongs to the firm and it represents a combination of shared values, culture, routines, procedures, technological developments and intellectual property. It emphasizes the collective know how and it remains in the entity even when people leave. It includes Organizational and Technological Capital. The first one concentrates on the intangibles that structure and develop organizational activities while the second one focuses on the assets that link directly to the technical system's activities and functions and is responsible for obtaining products, developing efficient processes, expanding company's internal knowledge and innovating.

On the other hand, Relational Capital highlights the accumulated value or wealth generated by the knowledge incorporated in company's actions and relationships with external stakeholders. Therefore, it focuses on customers, social capital and external stakeholders. It is divided into Business and Social Capital. The first one is directly related to the agents that are involved in the business process while the second one is connected with the other categories of external stakeholders (Bueno 2002b; McElroy 2001; Nahapiet and Goshal 1998).

These assumptions are exploited in the Intellectus Model (Bueno and CIC-IADE 2012) which emphasizes a holistic and systemic approach for identifying, measuring and managing organization's IC. It incorporates both Organizational

Identity and Corporate Reputation; the first one is a variable of the Organizational Capital while the second one defines an element of the Social Capital. Accordingly, the implementation of Intellectus Model constitutes a proper experience for our study Its structure (Figure 1) includes: a) Components or Capitals – groups of intangible assets, associated in three categories: Human, Structural and Relational Capital; b) Elements – homogenous groups of intangible assets; c) Variables – intangible assets; d) Indicators – instruments used for evaluating intangible assets. Organizational Capital concentrates on four elements: Culture, Structure, Organizational Learning and Processes.



Source: Bueno and CIC-IADE 2003, 2012

Figure 1: Intellectus model – structure and 'pertinence tree'

We focus only on "Culture" which highlights the values, norms and behaviors that are assumed and shared by a majority of employees. Organizational Identity is one of the elements that are integrated in this variable and also Cultural homogeneity, Evolution of cultural values, Social-labor climate, Business philosophy and Gender sesivity. Table 1 shows the variable Organizational identity and the indicators to measure it.

Table 1: Culture's variables, according to Intellectus Model

COMPONENT	**ELEMENT**	**VARIABLE**	**INDICATORS**
Organizational Capital	Culture	Organizational Identity	Members who participated in the development of company's mission (%)
			Employees who represent organization's partners (%)
			Partners in management positions (%)

Source: Bueno & CIC-IADE (2003, 2012) and own elaboration

Organizational Identity is based on a self-reflective approach and it captures the main central, enduring and distinctive organizational features (Albert and Whetten 1985). From an interpretative perspective, it is constructed and developed through interaction. Employees agree with a set of meanings about "who they are as an organization" and develop a social process of self-description (Gioia 1998; Longo 2010). The Intellectus Model assumes that the processes of creating an Organizational Identity are relevant intangible assets which need to be measured because they help to select outstanding knowledge and define guidelines for a better coordination of strategies, practices, decisions and actions. Therefore, this model uses three indicators for this purpose (Table 1). Besides, the Organization Idetity helps the organization: to clarify its purpose; to improve decision-making; to facilitate employees' loyalty, and to be recognized by external stakeholders. All these have a strong influence on firm's sustainable competitive advantages (Brown et al. 2006; Longo 2010). Therefore, IC models should consider the interaction and *sensemaking* involved in Organizational Identity development (Bueno et al. 2010; Nonaka and Takeuchi 1995).

2.2 Corporate reputation analysis from the perspective of social capital

From an economic perspective, competitiveness stimulates companies' behaviour. Therefore, when developing their business models, most firms focus on exploiting their social capital. In the last two decades of the 20th century, this gain researchers' and practitioners' attention. The first articles written on this topic present it as the sum of real and potential resources, drifted from network's relationships (Leana and Van Buren 1999; Nahapiet and Ghoshal 1998). Focusing on its relational dimension and its impact on organizational behaviour, Bueno (2002b) argues that social capital is an innovative concept, critical for knowledge sharing. Therefore, it is linked to Corporate Reputation which defines stakeholders' collective representation on firm's past and current actions or the result of a social legitimacy process that reflects the firm's capacity of ensuring valuable outputs (Fombrum and Van Riel 1997).

Although the relationship between these concepts is blurry, we argue that a firm with a high level of Social Capital also has a good Corporate Reputation. Social Capital involves developing interactions and it depends on trust and reliability while Corporate Reputation is connected to stakeholders' satisfaction, corporate personality and trust (Bueno 2002a). So, trust is one element that Social Capital and Corporate Reputation have in common. This facilitates stakeholders' contributions to the achievement of firm's objectives, it improves firm's Relational Capital and competitiveness, and it generates added-value (Frombrum and Shanley 1990; Martín de Castro et al. 2004).

Some researchers focus on the relationship between Corporate Reputation and Corporate Image. Although there are some studies that use these concepts as synonyms (Dowling 2001; Fombrun 1997), other stream of research search for their differences and relationships. Thus, Corporate Image emphasizes organization's projection on the market based on its brand and its relationships with media. In its analysis Villafañe and Canel, (2012) focus on the relationship between firm and society. Based on this, they distinguish three scenarios: (1) Basic – company is perceived as an economic agent that satisfies society's demand within an established legal framework. The relationship is based on the functional value; the company only provides economic incentives and employment. (2) Advancement – company is perceived as a social compromise, ensuring quality and social responsibility. The relationship is based on functional and emotional values. The firm must be socially responsible. (3) Ideal – company is perceived as being trustable. The relationship is based on the emotional value. The company is proactive, it adopts a responsible behaviour within a legal framework and its processes are transparent. Therefore, the relationship between firm and society may be placed in one of the previous scenarios.

Other authors study the relationship between Corporate Reputation and Corporate Image focusing on the fact that both of them concentrate on stakeholders' perception. Fombrum (1997) argues that reputation is always associated with stakeholders since it represents the result of a firm's rational and emotional relationships with them. Last but not least, both concepts emphasize an external perspective on company's activity. Still, "Corporate Image" is the result of the public relations campaigns. According to Berens and Van Riel (2004), Corporate Reputation is associated with stakeholders' satisfaction and it is based on trust and a high level of "Corporate Personality" or Organizational Identity.

Table 2: Differences between corporate reputation and corporate image

Corporate Reputation	Corporate Image
It highlights corporate personality	It is the result of firm's behaviour
It has a conjectural character and ephemeral effects	It has a structural character and long term effects
It is difficult to objectify	It is simple to demonstrate empirically
It creates expectations regarding company's offer	It generates value based on reactions
It is established outside firm's boundaries	It is established inside firm's boundaries

Source: Villafañe (2004)

Villafañe (2006) describes Corporate Reputation as an integrative vision on the reputational phenomenon. Its main characteristics influence Corporate Image and are represented by: axiology (a firm's capacity of incorporating cultural values in its relationships), corporate behaviour (an organization's ability of developing long term relationships with its stakeholders) and proactive attitude (a company's orientation towards change). Still, there are several differences between both concepts (Table 2).

Table 3: Corporate Reputation structure, according to Intellectus Model

CORPORATE REPUTATION'S VARIABLES	INDICATORS
Code of conduct	No. of follow-up systems Frequency of updating the codes of conduct Organization's members affected by the code (%)
Code for equal opportunities and chances	Existence of a plan for equal opportunities and chances No. of implemented actions Existence of a Committee for equal opportunities References to equal opportunities in corporate documents
Corporate governance code	Age of the management code No. of annual reports that focus on transparency
Social Actions	No. of persons involved in social actions % of investments for conserving the heritage No. of projects of territorial development No. of collaborations with the third sector (NGOs etc) No. of participations in institutional projects of R&D&I No. of collaborations with research centres No. of complaints intermediated by Customer Protection Company's complaints rates
Programs for assuring work-life balance	Existence of a conciliation plan No. of follow-up meetings for the conciliation plan No of implemented actions from the conciliation plan

Source: Own elaboration

The relationship between Corporate Reputation and Corporate Image is ephemeral. Corporate Image is projected from inside the organization with a certain envisaged impact on the target population, being its transmission process, which is made up of cognitive representation, an evaluation and an objective emergent property, usually associated with Corporate Reputation. However, Corporate Reputation and Corporate Image do not support each other; a good Corporate Image may influence a company's reputation but does not represent a guarantee. Although, Corporate Reputation is associated with organizational behavior, it is not always a consequence of a good Corporate Image. The former is difficult to objectify and has a conjectural character and ephemeral effects, however, the latest is simple to demonstrate empirically and has a structural character and long term effects (Martín de Castro et al. 2006; Villafañe 2004). These aspects have been taken into account in the Intellectus Model. This model defines Corporate Reputation as an element of Social Capital, which is evaluated based on 5 variables (Table 3).

3. Research methodology

3.1 Research objective

Organizational Identity and Corporate Reputation are intangible assets, developed through social processes, which emphasize stakeholders' perspective on the organization. But they are not synonyms; Organizational Identity involves internal members while Corporate Reputation is generated by external stakeholders. The first one highlights how the organization is seen from the inside while the second one brings forward how the company is seen from the outside.

Intellectus Model takes into account the differences between these two concepts. According to this model, Organizational Identity is a variable of Organizational Capital while Corporate Reputation is an element of Social Capital. If Corporate Reputation is usually included in IC models, Organizational Identity seems to be neglected. Therefore, we aim to explore the differences between these concepts by analysing the social processes. We aim to determine if social processes of interaction and communication between internal stakeholders influence the Organizational Identity.

3.2 Exploratory multiple case study

Based on the interpretative approach, we assume that Organizational Identity and Organizational Capital have a social dimension. Therefore, we use an exploratory case study methodology, suitable for answering "how" and "why" questions (Yin 2014). This methodology converts members' experiences into explicit elements and facilitates researchers' interpretations. Thus, in order to test the research objective, we analyze and structure the interpretations of our respondents in the light of both contextual and previous theorizing (Nag et al. 2007; Strauss and Corbin 1990). We ensure construct validity by using multiple sources of data and by establishing a chain of evidence during the interviews. Reliability is enhanced by: (a) Using a case-study protocol in which all informants were subjected to the same entry and exit procedures and interview questions; (b) by creating similarly organized case data bases. External validity is guaranteed by the multiple-case research design; all cases were New Technology Based Firms (NTBFs) from Madrid Science Park. Internal validity is proved through the pattern-matching data-analysis method (Eisenhardt 1989; Yin 2014).

3.3 Sample

We conducted an exploratory multiple case study in five NTBFs (Butchart 1987; Little 1977; Shearman and Burrel 1988) from the Madrid Science Park, Spain. The sample was not randomly selected. Firstly, they belong to different industries which allowed us to define this element as a constant variable. Therefore, we focused on the patterns of behaviour and social processes that occur in NTBFs. Secondly, their managers agreed to participate to our research. Thirdly, they employ a high number of qualified employees. These facts made our job easier because it was not difficult the explanation the emergent concept of Organizational Identity, its relationships or the differences between Organizational Capital and Corporate Reputation.

Comparing the five case studies within the same context enabled an “analytic generalization” because it allowed the replication of the results, either literally (when similar responses emerged) or theoretically (when contrary results emerged for predictable reasons) (Yin 2014). Therefore, we ensured that the evidence from one well-described setting was not idiosyncratic (Miles and Huberman, 1984).

Although space prevents us from providing “thick descriptions” of each case (McClintock et al. 1979), however we will highlight a short description of the firms involved: the period and average length of the interviews; fictional names of the firms (to maintain confidentiality); their domain of activity; legal entity; number of employees; date of establishment; the informants and their jobs; and qualifications (Table 4).

Table 4: Case studies technical file

INTERVIEWS	**MONTHS & YEAR**	June-August, 2008
	AVERAGE LENGTH	60 minutes
NTBFs' features:	Micro & small firms: between 4 and 19 employees Years of establishment: between 2000 and 2007	
NTBF	**Domain of Activity**	**Informants**
A	Information, Technology & Communications	1. President & Founder Shareholder 2. Sales & Marketing Department
B	Biosciences & chemistry	1. General Manager 2. Sales & Marketing Department 3. Business Development Area
C	Environment & Renewable Energies	1. Founder Shareholder & collaborator in the Development Area 2. Research & Development Manager
D	Information, Technology & Communications	1. Promoter & in charge of the Organization and Consulting Services Area 2. Promoter & in charge of the Technological Implementation Area
E	Environment & Renewable Energies	1. Founder Shareholder & Technical Manager 2. Taxonomic Identifications & Reports Area

Source: Bueno et al. (2010); Longo (2010)

The NTBFs are micro and small firms as they have between 4 and 19 employees. They also are Limited Companies, established during 2000-2007, that operate in sectors based on the exploitation of an invention or a technological innovation. Last but not least, their employees have a PhD, Master or Bachelor's Degree.

3.4 Data sources

Data were collected through eleven semi-structured interviews (Table 4). The in-depth interviews are based on conversation and take the form of a focused interview with an open end (Yin 2014). In each firm, we conducted the in-depth interviews with the General Manager or founder and with one or two employees. Besides, a case-study protocol was developed and a pilot study was carried out for refining the content and procedures of data-collection. All interviews were recorded and transcribed immediately (Eisenhardt 1989). We started the interviews by asking the informants to focus on organizational issues. Further, we asked them to describe their tasks and to tell us something about firm's history, activity and core characteristics. Then, we approached themes like knowledge sharing, work climate, business philosophy, share value and organizational communication.

Interviews were complemented with data collected through observations and secondary sources. During our visits, we recorded impressions and informal observations. Whenever possible, we attended meetings as passive note-takers. This provided real-time data which were discussed with each respondent in order to confirm the interpretations.

Secondary sources included annual reports, internal documents, meetings agendas, minutes of past meetings, internal newsletters and intranets, annual reports, websites, and articles published in magazines and newspapers. The aim was to obtain additional information regarding communication dynamics and the organization's development.

3.5 Data analysis procedure

Data were analysed based on the general analytic strategy of 'relying on theoretical assumptions'. The main research method was 'comparative analysis' (Glaser and Strauss 1967; Yin 2014). We described the theoretical assumptions regarding the concepts and the social processes that facilitate their development. These guided our analysis and interpretations. Then, we used a comparative analysis which is considered to be a relevant procedure for exploratory case studies that are based on narrative data. We used tables in order to organize, structure, compare and present the relationships between data and theoretical assumptions (Miles and Huberman 1984).

3.6 Findings

From an interpretative perspective, Organizational Identity is developed through a social process of claims and counterclaims. It involves the employees and it focuses on obtaining a general agreement on firm's core characteristics. It is based on continuous interactions between employees and shareholders and it uses symbols, interpretative schemes and language. Through conversations, members develop an internal, generally accepted, image of the firm and establish its particularities (Bürgi and Oliver 2005; Nag et al. 2007). The last ones focus on culture, structure, organizational learning and processes, elements that define the Organizational Capital (Bueno et al. 2010).

Collected data highlight the formal and informal processes of interaction and communication from within the firm and also display their impact on Organizational Identity (Table 5). These emphasize the influence of social processes on knowledge sharing. It implies the use of formal (meetings) and informal channels (breaks, improvised meetings and discussions).

We synthesized the self-reflective claims that answer to the question 'who are we as an organization?' We made a 'triangulation' between: 1) respondents' statements; 2) background information; 3) the mission declared on websites, internal and confidential documents about corporate strategy, Intellectus Model, the annual report of Madrid Science Park and interviews published in newspapers and magazines, collected from the press kit of NTBF A and B.

Table 5: Social processes that support organizational identity development

NTBF	Respondents	Social processes
A	Sales & Marketing Department	There is something we call 'coffee time'. Everybody is having breakfast at the same time, every day. We have a kitchen that allows us to do this and sometimes we talk about our jobs and tasks, other times about the sales or about the weather or about… It is more familiar.
B	Sales & Marketing Department	We interact constantly; based on a small comment we can make a meeting; an e-mail I received can become the subject of a group discussion. […] We talk, talk, talk, talk a lot.; When a new employee arrives to the laboratory, the Laboratory Manager gives him a welcoming training. In the other areas we agree a learning plan too
C	R&D Manager	We have at least one meeting every week to establish the weekly activities […] During coffee time and lunch we never talk about our tasks because of data protection policy.
D	Promoter and responsible for Organization and Consulting Services Area	Maybe we spend too much time during our coffee breaks but I believe it is part of our work […] It is during those breaks when people get deeply in touch with one another, make reports and talk about their private affairs.
E	Founder and Technical Manager	Our activity has its own peculiarity. We go frequently to countryside and we spend weeks with the same person, sharing breakfast, lunch, hotel, conversations. It emerges a special fellowship.

Source: Bueno et al. (2010); Longo, (2010) The members of the NTBFs develop their Organizational Identity through the continuous formal and informal communication processes show in Table 5. They point out the importance not only of the formal communication channels such as meetings every week but also of the informal ones. The internal stakeholders remark the importance of the informal interaction for example in the NTBF A and D the 'coffee time', in NTBF B and E the knowledge is shared when issues arise, without previous planning, in NTBF C they get under control informal processes and try to transfer knowledge only through formal channels.

In the interviews as well as in secondary data sources, the internal stakeholders expressed a feeling of the organization as a whole, showing an agreement on 'who they are as an organization'. Thus internal stakeholders in NTBF A define the firm as an innovation model, in NTBF B as a firm of security alimentary services, in NTBF C a small firm of R&D, in NTBF D as a research team, and in NTBF E as a laboratory of taxonomic determinations.

If we analyze the social processes (Table 5) from Intellectus Model perspective, we notice that during the Organizational Identity development, other variables of Organizational Capital are developed. Especially, the variables of the "Culture" element originate. Thus, the processes involved in the Organizational Identity development also bring forward the variable 'social climate'. NTBF A creates a familiar environment while NTBF B encourages constant interaction and communication. NTBF C focuses on formal interaction while NTBF D concentrates on an informal one. NTBF E a relationship of camaraderie. Moreover, the vision upon how the business is carried out brings forward the variable entitled 'business philosophy', as example we can mention the welcoming training develops in NTBF B.

3.7 Organizational identity and corporate reputation as intangible assets

According to an interpretative approach, there are several relationships and differences between Organizational Identity and Corporate Reputation (Table 6).

Table 6: Characteristics of organizational identity and corporate reputation

	ORGANIZATIONAL IDENTITY	CORPORATE REPUTATION
PERSPECTIVE	Interpretative	Perceptive
DEFINITIONS	Emphasizes employees' shared meaning about 'who are we as an organization?'	Emphasizes stakeholders' shared meaning about 'how does the organization satisfy our expectations?'
CHARACTERISTICS	It is constructed through employees' interactions.	It is constructed through company's interactions with its stakeholders
	It becomes a collective framework shared by employees to support sensemaking.	It becomes a trust framework generally accepted by stakeholders.
	It is focuses on self-description.	In focuses on how others perceive the organization.
	It involves internal stakeholders.	It involves external stakeholders.
	It reflects an internal perception.	It reflects an external perception.

Source: Own elaboration

Both concepts are created through social processes (Table 6) but, there are two key differences between them: 1) The members involved in Organizational Identity development are internal stakeholders while Corporate Reputation involves the external stakeholders; 2) Organizational Identity is a self-description of the organization, and therefore, it emphasizes an internal perception while Corporate Reputation highlights an external one. Therefore, the first concept reflects how the organization is seen from the inside while the second one emphasizes how the company is seen from the outside.

The relationships between Organizational Identity and Corporate Reputation lead us to propose a new model of analysis (Figure 2).

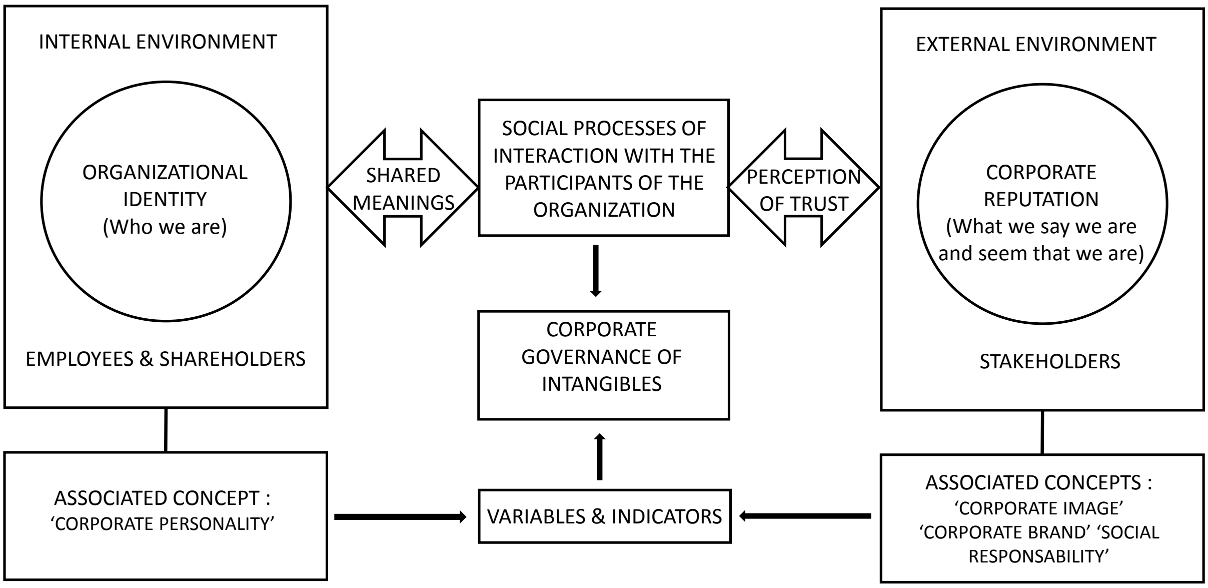


Figure 2: Relationships between organizational identity and corporate reputation

Source: Own elaboration

Inside company's boundaries, based on social interactions, the internal stakeholders develop a shared meaning about "who they are as an organization". Outside company's boundaries, social interaction has a critical impact upon external stakeholders' perception of trust. Based on this, they develop a general meaning about "what the organization assumes to be" and establish a long term relationship with the company. The Corporate Governance of Intangibles acts as an interface between the two. It focuses on identifying and managing knowledge, incorporated in both internal and external social interactions. It deals with Organizational Identity and Corporate Reputation, on one hand, and Corporate Personality, Image, Brand and Social Responsibility, on the other.

4. Conclusion

We have explored the relationships and differences between Organizational Identity and Corporate Reputation to set the variables to be managed as intangible assets, as a challenge of organization's IC. We used the analysis of the social processes in order to identify the variables that need to be managed as intangible assets. Corporate Reputation is based on an external perspective, it reflects stakeholders' opinion about 'what the organization assumes to be' and it is usually included in IC Models.

We have focused our case study analysis on the social processes involved in Organizational Identity development, an element that seems to be neglected. The empirical analysis allows us to conclude that Organizational Identity is based on an internal perspective of an interpretative nature about what the organization's members agree with 'who they are as organization', an agreement that is achieved through social interaction and is an intangible asset. The process also involves developing other intangibles of Organizational Capital such as, 'social climate' and 'business philosophy'. By identifying these variables, the organizations will be able to measure and manage them by using IC Models, such as Intellectus Model, and will recognize theeir influence on firm's competitiveness. Intangible assets identify in the case study, Organizational Identity, social climate and business philosophy, they practically represent the 'memes', the equivalent to the biological 'genes', which are ideas, style or behavior that spread from person to person within a culture (Dawkins, 1976, 1982; Mosterin, 2009).

The added-value of this research resides in the analysis developed regarding Organizational Identity and Corporate Reputation. These should not be confused, logically or semantically, with concepts like 'Corporate Personality', 'Corporate Image', 'Corporate Brand' or 'Social Responsibility'.

The research results are limited. Our exploratory analysis has focused on the internal social processes involved in Organizational Identity development and has neglected the external processes that influence Corporate Reputation establishment. Also, we have not addressed the overlap between corporate insiders, related with Organizational Identity, and outsiders, related with Corporate Reputation. Nowadays overlaps exist between the two classes of stakeholders (e.g. employee stock ownership plans, executive stock options) which complicate the social interaction between the two groups. Moreover, agency problems or conflicts of interest are rife in organizations, which may distort both perspectives. These limitations will serve as a starting point for further research. Moreover, we will also going to try to find an answer to the following questions: How can we identify the 'memes' or cultural units? How can we determine and manage their influence on Organizational Identity?

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