Who am I? Who are we?

Organisation identity and the paradox of change

Inaugural address

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Preface

An inaugural address is unquestionably an important event in the life of an academic. It is not only a longstanding academic tradition and a formal public ceremony, but also an important rite of passage for a scientist and researcher at a university. Not often recognised, is that it is, as with several other longstanding university traditions, also an identity-affirming act – identity being a salient dimension of tonight’s address.

Following in the footsteps of a colleague, prof Leon van Vuuren, I believe it appropriate to characterise the nature and focus of this address. In accordance with the categorisation system he presented, the professorial inauguration can assume the form of an opinion, a policy declaration or some significant scientific insight (Van Vuuren, 2006). Viewed from within this framework, this address primarily resides in the category of a modest scientific insight. Building on the platform provided by preliminary empirical research into the phenomena under discussion, it will, secondly (and briefly), assume the character of an opinion.

Introduction

Before I introduce the subject of tonight’s address, I wish to draw your attention to Plutarch (Stewart & Long, 1984) who informs us that Theseus, the legendary king of Athens, has just returned from one of his journeys during which he has slain the Minotaur. Plutarch states...

XXIII Now the thirty-oared ship, in which Theseus sailed with the youths, and came back safe, was kept by the Athenians up to the time of Demetrius Phalereus. They constantly removed the decayed part of her timbers, and renewed them with sound wood, so that the ship became an illustration to philosophers of the doctrine of growth and change, as some argued that it remained the same, and others, that it did not remain the same.

In the context of this address Theseus is relatively unimportant. His ship of course is of the utmost importance, for the doctrine of growth and change embodied in the metaphorical ship, sensitises us to the notions of identity and change and their relatedness. Apart from Theseus’
ship, the fundamental question of how identity and change is related, has also been illustrated by “Locke’s socks”. In this example John Locke indicates that his favourite sock over several years, repeatedly developed holes that were continuously patched - to the extent that after several years of patching, the socks no longer had any of the original material left in it. Is it still the same sock? Other typical examples that are often used to illustrate this principle include the colloquial “grandfather’s old axe” which is claimed to be an original axe but had its head and handle replaced with new items on three and four occasions respectively. This issue of identity and change is often also illustrated by the account whereby a central character wins an award for sweeping the streets for 24 years, while using the same broom ...even though the head and the handle of the broom were replaced 17 and 14 times respectively. These illustrations, and Theseus’ ship in particular were vehicles used by early philosophers to raise awareness to the issues of identity and change. Now, let us return to Theseus’ ship.

Before proceeding, I wish to briefly engage in the act of ‘naming ships’. This is necessary to relate members of our diverse audience to Theseus’ ship – also referred to as Theseus’ paradox, on which I will comment later. The ‘naming of ships’ is important if the fundamental message of this address is to have any value for all our esteemed visitors.

For the moment we can name Theseus’ ship variously the University of Johannesburg, or the Faculty of Management, the Professional Board for Psychology or the Society for Industrial and Organisational Psychology, or as “Dromedaris”, a men’s residence and the only seaworthy yet land bound ship on this campus. We could also name it Angloplatinum, Nedbank or any other name for that matter. So too can we name the ship the Labuschagne or Van Tonder clan or the Kruger family. Theseus’ ship can comfortably be substituted for any of these entities and in the end confronts everyone present with the important and interesting philosophical question of whether they are essentially the same person, family or institution? Or, whether the person, family or institution is now substantially different from what they set out to be... in the manner that Theseus’ ship is different after being refurbished and reconstituted following substantive change over period spanning approximately four centuries? For example, following continuous change over the past few years, is the university still truly a university? Is it the “same” or is it something different? Or alternatively, is the Dromedaris men’s residence, Angloplatinum, Nedbank, or any other corporate for that matter really still such or are they entirely different entities - given the substantive changes that they have endured in practically every aspect of who and what they are? And on what grounds will we argue this? By the same token...considering the past five successive generations in the Labuschagne clan (or any other clan for that matter), is the current generation still truly Labuschagne, or have they merely retained the name and do they differ significantly from their predecessors? Again, on what grounds will we argue this?

The cited examples convey contemporary notions of identity and change and the relationship between them. We should add that this relationship between identity and change is anything but clear. Indeed, the examples raised provide the problem setting for this address. As will be
argued, organisational change is a problematic issue and identity1 is hardly considered in institutional settings.

For the remainder then of this address I would appeal to the audience to keep Theseus’ ship in mind, primarily as a metaphor that applies equally to members of the audience’s personal, social, occupational, and organisational settings.

**The theme and focus of the address**

The theme of identity and change raised by Plutarch’s account of Theseus’ ship is of course a fitting point to introduce the title and theme chosen for this address. The title should serve as a broad and initial guiding frame for considering the content of the address.

First and foremost, it is useful to recognise that the intellectual frame of the address is provided by the discipline of Industrial and Organisational Psychology. The argument will briefly traverse the terrains of philosophy and psychology and will regularly dwell in the area of applied institutional management, where much of the theory and principles of Industrial Psychology are reified, but it fundamentally is concerned with the psychology of work and the organisation.

The question “*Who am I*?” (Mead, 1934; Schley and Wagenfield, 1979) can be considered the identity question because any considered, authentic response to this question unavoidably surfaces that set of beliefs and meanings that encapsulate individual or personal identity.

“*Who are we*?” (e.g. Foreman & Whetten, 2002; Van Tonder, 1999) relates to the organisation’s identity. The question prompts a response that defines a sense of collective identity. Both the “Who am I?” and “Who are we?” questions bring the issue of individual and group or organisation identity into sharp focus.

The position that will be argued in this paper is that individual and collective or group identity are substantially interrelated and interdependent – a position argued by Erikson (1968) and generally accepted as such. Accordingly, *who I am* invariably impacts on *who we are*, and vice versa. *Who I am as a result of who we are* is at the heart of the so-called social identity movement, which was translated to organisational settings by Ashforth and Mael (1989) and more recently Haslam (2001). I will elaborate more on the nature of identity in the latter half of the address.

The remainder of the title furthermore indicates that organisation identity, (“who are we”) is a central focus of this address and that this relates directly to the phenomenon of change. Change however is characterised by seemingly inconsistent complexities that are not

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1 The identity referred to here is not the “corporate identity” concept which is prominently observed in most large organisations and generally constitutes a contrived idealised and often ill-fitting “mask” worn by the organisation. Identity instead refers to the innate and distinctive character of the organisation.
immediately apparent and consequently the relationship organisation identity and organisational change is not clear.

The questions “who am I?” and “who are we?” should guide the audience to consider how their personal identities (who they are) direct their contribution towards influencing the identity of groups and organisations to which they belong.

For example, if my response to the question “who am I?” is to answer: ...a human resource practitioner, when I am also an Industrial Psychologist, how does this influence the group/organisation’s response to question “who are we?” Moreover, how does the group’s identity (who we are) enacted by the group then influence the subsequent individual member’s response to the “who am I?” question?

Consider also a second example: If I define (i.e. identify) myself as a manager rather, or to a greater extent, than a scientist and academic, how does this response to the who am I-question influence the group or organisation’s response to the who are we question? And, what then is the emergent identity of this organisation? If we acknowledge that organisational culture...in managerial terms reduced to “how we do things around here” is a function of who we are (Van Tonder, 2004a), ...are we enacting the identity of the university or tacitly deconstructing it and cultivating the identity of a more generic type of organisation? Again, how does enactment of an inappropriate organisation identity influence the identity of the individual scientist and academic that is a member of this organisation? The complexities of identification and identity have been the subject of contemporary research, which has demonstrated that identity congruence / incongruence have a significant impact on members’ identification with and commitment to the organisation (Foreman & Whetten, 2002). Of particular interest, then, are the implications of this reciprocal influence of individual and organisational identities during times of unprecedented institutional change and social upheaval.

Theseus’ ship therefore metaphorically offers a “vehicle” (or shall I say vessel?) with which to reflect on the intertwined and inseparable character of identity and change in personal, group and organisational settings. Although the notions of identity and change were extensively debated among philosophers over the past 2500 years, the contemporary scholarly community is only now recognising that a consideration of change probably implies a consideration of identity. The preservation of Theseus’ ship over a 400 year period seems to suggest that a consideration of the one invariably implies also a consideration of the other. This interrelatedness of identity and change and the question as to the relative influence of change and identity in this relationship, is the focus of the address.

The overriding objective of this address consequently is to modestly advance our understanding of this organisational change – organisational identity relationship. Towards this objective the address will commence more generally with opening remarks on the importance of healthy organisations and institutions in a broader societal landscape. This is followed with a brief consideration of the nature and impact of large-scale change and the
apparent complexities and paradoxes that characterise the reigning organisational change paradigm. Identity and organisational identity will then be introduced together with brief commentary on our own research to date, in order to provide an alternate vantage point on the change-identity relationship. The address will, finally, briefly reflect on the organisation identity and organisational change relationship, relative to the paradox of change, and conclude with a few implications arising from the address.

On the relevance of social organisation

The notion of “organisation”, of collective endeavour in pursuit of survival, has been a central and consistent feature of human existence through the ages and we observe a rich diversity in their form and function in practically every domain of human endeavour. Organisations have proliferated to such an extent that they have become a hallmark of contemporary society. Their prominence derives from their usefulness to the larger society in which they exist (Roeber, 1973).

The well-being of a society is in fact largely premised on the well-being of organisations that function within its boundaries (Jones, 1995). This argument is perhaps more clearly illustrated by the harmful consequences of the demise of large organisations in particular. Corporate failure, for example, has an immense impact on struggling economies (Puplampu, 2005). In this regard, consider for example the impact of job losses arising from organisational failure, which fuel unemployment, poverty, crime and disease, and similar undesirable outcomes. This notion that organisations in their very functioning contribute in a major way to the psychological well-being of employees and the organisation in toto, has long been recognised (cf. Freud in Czander, 1993; Jacques, 1953; Menzies-Lyth, 1991). In the end, very few alternatives are open to organisations. To alleviate the consequences of organisational dysfunction and ill-health on the lives of people, for example the impact on poverty, they simply have to become more effective and efficient (Munene, 1995; Puplampu, 2005).

Apart from their obvious usefulness, organisations have quietly ascended to positions of global power from where they exert a pervasive and consistent influence in global society. This, however, is seldom adequately acknowledged. Consider for example that a significant number of large corporations have become so powerful that their decisions directly affect the welfare of entire states and nations (Stern & Barley, 1996). Indeed, because of their resources, capacity for action and agility, business organisations will increasingly assume responsibility for sustaining communities and society (Maynard & Mehrtens, 1993). This shift in power away from political, religious and other societal institutions to large and multinational organisations is a function firstly of the former’s declining legitimacy and growing ineffectiveness in dealing with contemporary challenges and, secondly, the institutional transformation brought about by increasing, global competition, technological innovation, and declining resources (Carnall, 1995). Consider for example that in the early nineties, 50 of the
world's 100 largest economies were in fact corporations\(^1\). At the time 25% of total world economic output was controlled by a fraction of 1% of the world's population... those employed by the 500 largest industrial corporations of the world at that time (cf. Korten, 1995; Van Tonder, 1999). These indicators of organisational growth and power suggest how pronounced and critical organisations have become to contemporary society.

It is unquestionably clear that both society and the individual employee (with his/her dependents) reap the benefits when organisations cope well with environmental turbulence, but suffer the consequences when they fare poorly (Van Tonder, 2005). Ultimately, enduring and sustainable organisations are in the interest of all.

**On the vulnerability and mortality of organisations**

However, while organisations have proliferated and occupied prominent roles in all facets of society, they are also prone to ill health and demise and many in fact die prematurely. Note in this regard that the life expectancy of organisations during the mid nineties was very low (between 40 and 50 years) and declining rapidly (De Geus 1997). With a few notable exceptions “The startling reality is that many of us in our active working lives will outlive our companies if we were to remain with them (Van Tonder, 2004b)

A Royal Dutch/Shell study of long living (enduring) organisations for example revealed that organisations are more at risk and threatened than are commonly believed and that only a very small number actually reach ages in the vicinity of 200 to 300 years (De Geus, 1997). This was recently again affirmed by Konz and Katz (2000) who, in drawing on several studies, argued that hyper longevity or the ability of organisations to survive 250 years or more, is exceedingly rare.

Organisational mortality unfortunately is disturbingly high, with significant ramifications for the broader society in which they are situated. Notwithstanding their substantial value to society, organisations also reveal a vulnerability that actually renders them a liability to society, who has to absorb the negative fallout of corporate failure. Corporate failure or organisational “death” of course presents in many forms. Bankruptcies, mergers, acquisitions, leveraged buy-outs, or simply an inability to continue operating as a going concern, are illustrative (Korten, 1995; Labich, 1994). Without engaging the detail, suffice it to note that the financial costs of corporate failure, that is, organisational deaths and near-death experiences, are nothing short of staggering, but this pales into insignificance if the less often accounted for human and social costs that accompany the millions of lost employment opportunities, are taken into consideration. (cf. Hogan & Overmyer-Day, 1994; Korten, 1995; Offerman & Gowing, 1990),

While the reasons advanced for the premature death of organisations are many and varied they are typically of an economic and managerial nature (Hogan & Overmyer-Day, 1994). A major source of corporate failure that appears to relate to the vast majority of these failures is

\(^1\) Using Gross National Product (GNP) and *total annual sales* per corporation as basis for comparison
unsuccessful attempts of organisations to adapt to rapidly changing contexts (Van Tonder, 2004c). Change and organisational change perform an insidious role in organisations generally and in corporate failure in particular. Its impact on organisational health and employee wellbeing is well documented (Safar et al., 2006; Van Tonder, 2005). When I refer to the role of change, it is not so much the empirical phenomenon of change, but rather the institutional capacity and in particular managerial capability to deal with change phenomena effectively. Unfortunately the literature is patently clear and substantially unflattering when it reveals institutional management as the major cause of failed change initiatives (Jewell & Linnard, 1992; Stuart, 1996; Van Tonder, 2005). Indeed, Christensen and Overdorff (2000) argue that managers, in their attempts to transform an enterprise may well destroy the very capabilities that sustain the institution. There is really very little to suggest that institutional managers possess the capability to reverse processes of organisational decline and avert organisational death. Unfortunately managerial ability to stem the reducing life expectation of organisations does not imbue confidence. For this reason and for the pervasive nature and profound impact of organisational change on organisations, it must be considered one of the greatest institutional challenges to be faced by contemporary management. While the prospects of organisational death is pronounced, the greater risk resides in the intuitive acceptance by institutional managers that organisations are becoming short lifespan entities … that organisations should not be expected to exist beyond a predetermined time horizon, where after it needs to be “acquired”, “merged”, “unbundled” or “sold”.

While cost-benefit analyses should indicate that creating and sustaining long living organisations remain the best prospect for healthy and sustainable societies, it is uncertain whether the prevailing institutional management paradigm, at its core, is supportive of sustainable, long living organisations. Is there, in reality, meaning in the metaphorical retention and refurbishment of Theseus’ ship? Implicit in the doctrine of growth and change portrayed by Theseus’ ship, is the notion of sustainability. The metaphor echoes a plausible and desirable change-identity relationship i.e. long term organisational survival without a material loss of identity, but it hinges on a perceived need to do so and the will to transcend the challenges presented by change.

In view of the reducing life expectation of organisations and considering the pronounced rate at which organisations are liquidated, profit margins reduced, rationalisations occur and unemployment continues (Van Tonder, 2005), change and organisational change pose a formidable challenge to organisational sustainability and societal wellbeing. For this purpose I briefly outline the prevailing realities with regard to organisational change.

Organisational change as institutional challenge

Organisations, by necessity, have to adapt to changing and very demanding environmental conditions. These adaptive responses have typically assumed the form of strategic repositionings, reorganisations, mergers and acquisitions, restructurings, downsizings, leveraged buy-outs and related large scale change initiatives.
Empirical research however indicates that the failure\(^1\) rate of large scale organisational change initiatives is exceedingly high and varies between 65% and 75% (cf. Beer & Nohria, 2000; Grint, 1998; Mourier & Smith, 2001). Such rates are consistently recorded for most forms of major organisational change including reorganisations (Ross, 1997), downsizings (Appelbaum, Henson, & Knee, 1999; Cameron, 1994; Henkoff, 1990; Skilling, 1996), improvement programmes and initiatives (Armenakis & Harris, 2002; Pascale, Millemann & Gioya, 1997; Schaffer & Thompson, 1992), and mergers and acquisitions (Balmer & Dinnie, 1999, Gilkey, 1991). Recent accounts of organisational culture change (Smith, 2002; 2003) suggest that failure rates may range between 72% and 90%, while a KPMG worldwide Mergers and Acquisitions survey found that 83% of these initiatives do not create shareholder value and effectively fail in terms of their primary objectives (Hattingh, 2004).

As a means of securing growth and / or survival, mergers and acquisitions have been the organisational change initiative of choice. In 2004 some 30 000 transactions with a value of $1900 billion were effected globally – effectively at a rate of approximately one transaction every 18 minutes (Cartwright & Schoenberg, 2006). It consequently does not require complex mathematics to establish losses to shareholders. Mergers and acquisitions at some point in time inevitably entail the integration and removal or downscaling of duplicate functions, which in turn is accompanied by staff relocations and/or retrenchments. Given the scope and consequences of this form of change, it is not difficult to appreciate why it has become a public concern (Van Dick, Ullrich, & Tissington, 2006). This form of large scale change initiative is illustrative of many of the contemporary growth and survival initiatives and the value derived from such change initiatives.

**The impact and cost of organisational change**

The impact of failed change initiatives such as those reported is of course pronounced and characterised by a multitude of undesirable and often traumatising consequences at the individual, institutional and societal levels. Calculating the cost of these forms of institutional change is difficult, but widely acknowledged to be exceedingly high (cf. Smith 1995). The social cost of these change events is however equally if not more staggering – notably the millions of retrenchments and lost employment opportunities that follow in the wake of large scale change initiatives (Korten, 1995; Leana & Feldman, 1988). By way of illustration consider that Fortune 500 industrial firms in the USA shed 4.4 million employment opportunities over a 13 year period (Korten, 1995). In South Africa approximately 4.7 people were materially affected for every one person retrenched (cf. DBM, 1995). Voluntary turnover for example during downsizing or reorganisation, incur significant direct and indirect costs but also social capital costs (Dess & Shaw, 2001; Morrell, Loan-Clark, & Wilkinson, 2004). Moreover, there are unquestionably limits to the stress that organisations and employees can absorb during large scale change initiatives – whether at a given moment or cumulatively over time (Jick, 1993), and the financial consequences of such change-induced stress is extensive and impacts on morale, quality, relations, public standing, customer satisfaction, retention of

\(^1\) Success is typically circumscribed in terms of cost reductions and profit realisation.
staff, and absenteeism is significant (Schabracq & Cooper, 2000; Taylor-Bianco & Schermerhorn Jr, 2006). Disturbingly, Doyle (2002) argues that the prevailing evidence suggests that organisations might not be fully aware of the stress that employees endure, as well as the inefficiency, costs and risks that accompany organisational change. The scope and severity of these organisational changes are such that many organisations may never recover from such encounters.

When the scope and magnitude of failed change initiatives are viewed in relation to unemployment statistics, a sense of urgency enters the debate on creating sustainable organisations.

In South Africa the “official” unemployment\(^1\) rate currently hover around 25.5\% (Stats SA, P0210, March 2007). To contextualise this in terms of organisational change, consider that Cameron (1994) foresaw a crisis with the institutional drive towards competitiveness\(^2\), which resulted in a wave of downsizings and job losses at a time when the unemployment rate in Europe was at 11 \% - less than half the current official rate in South Africa. Cameron (1994) consequently questioned the wisdom of these forms of change as effective solutions to achieve competitiveness.

**The pervasiveness of change**

Notwithstanding concerns about the success rate, cost and impact of major change, such initiatives, globally, are assuming significant proportions and in particular the trends towards mergers and acquisitions (Cartwright & Schoenberg, 2006; Gadiesh, Ormiston & Rovit, 2003); reorganisation (cf. Osterman, 2000), downsizing (Applebaum, Henson & Knee, 1999; Cameron, 1994) redundancy or delayering (Worrall & Cooper, 2004), and outsourcing (Linder, Cole & Jacobson, 2002).

If anything, environmental turbulence and competitive pressures that give rise to higher frequencies of change are becoming worse (Johnson, 1996; Pascale, Millemann, & Gioya, 1997; Schabracq & Cooper, 2000) and increasing the pace of organisational adaptation (Safar et al., 2006; Wanberg & Banas, 2000). Predictably, the frequency, complexity and risk of organisational change will similarly increase rather than decline (Miller, 2004).

Organisational sustainability is critically dependent on an appropriate and effective response to imposed or self-initiated adaptive change. Prevailing realities suggest that organisations and institutional management are ill prepared in this regard.

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\(^1\) The *official* definition of unemployment refers to people within the economically active population who i) did not work in the seven days prior to the interview and ii) want to work and are available to commence working within 2 weeks of the interview, and iii) in the four weeks prior to the interview have taken steps to look for work or start some form of self-employment. The *expanded* definition of unemployment is normally much higher and is similar to the official definition except that it excludes criterion iii. This definition therefore allows for the inclusion of discouraged job seekers (Stats SA, P0210, 2004c, p. Xiii). If these job seekers are considered, the challenge increases dramatically.

\(^2\) Competitiveness is defined in terms of *cost and productivity advantages relative to industry peers*. 
To add to the challenge, recognise that change success or failure occurs despite the abundance of change knowledge (change publications, consultants, academics). It is noteworthy that a constant stream of publications on change and organisational change over the past couple of decades has become a hallmark of the literature in the fields of organisational behaviour and -theory. The value of this mushrooming literature base however is questioned on grounds that it is predominantly practitioner-driven and informed by institutional rather than scientific needs (Van Tonder, 2004c). Apart from an inadequate process orientation and the absence of a wider contextualism, the extant literature base has also been criticized for its surprising lack of theory and the unchallenged assumptions on which rather superficial organisational change recommendations are premised (Collins, 1998; Doyle, 2002; Kets de Vries & Balazs, 1998; Pettigrew, 1988, 1990). At the same time scholars appear largely oblivious to changes in the empirical profile of change itself (Van Tonder, 2007) and the shifting global sentiment towards so-called ‘green’ change philosophies (Adams, 2006; Cox, 2006; Dunphy & Benveniste, 2000). It is no surprise that managers often doubt the validity and relevance of the literature (Bamford & Forrester, 2003), but more than this, that failure rather than success characterise most major change initiatives (cf. Applebaum & Wohl, 2000; Mariotti, 1998).

In conclusion, organisations, unquestionably struggle with both uninitiated change as well as “self-initiated” change. The challenge of creating sustainable organisations when the scope and frequency of change with its attendant risks, is intensifying, is substantial.

The paradox of change

If we then reflect on prevailing organisational change practices and the status of the extant knowledge with regard to change and institutional change practices, the reader is confronted by several apparent change paradoxes.

- The first commences with the observation that humans have a remarkable propensity for change, yet every response to change of any significance convey an equally impressive reluctance to engage in change and, indeed, practically every act in which they engage, they veer away from and resist change (Van Tonder, 2004c).

- If organisations do not respond appropriately to increasingly global and competitive conditions, that is, through major organisational change initiatives, they face ruin. On the other hand, the current dismal success rates recorded for most forms of adaptive change initiatives suggest that the prospects of failure are disturbingly high. (“change OR do not change” message – the outcome is the same)

- When turning to the pragmatics of applying change knowledge in the organisational setting, several further “change paradoxes” are self-evident in both literary accounts and practical experience of organisational change (Van Tonder, 2004c).
One of the most extensive and mushrooming literature bases is found on the subject of change, yet change failure rates of the order of 65% to 75% are consistently reported for virtually any type and application of organisational change (cf. Kavanagh & Ashkanasy, 2006; Miller, 2004).

While change is now commonly recognised as one of the most prominent challenges that organisational leadership and management has to contend with, it is a noted reality that it is probably one of the most under trained functional areas to which managers are exposed. The lack of managerial skills in effectively managing change is reported with monotonous regularity. Contemporary research suggests that the situation is not improving (cf. Kavanagh & Ashkanasy, 2006).

The cost consequences of major organisational change initiatives are profound and widely acknowledged, yet institutional management and change functionaries are not obliged to account for the direct, indirect and social change costs incurred under their leadership.

Closely related to the paradoxical “change OR do not change” message, is the equally challenging “change AND do not change simultaneously” message. Organisations have to embrace continuous organisational change... managers effectively have to transform the business in order to survive in a rapidly changing, competitive landscape, yet should maintain a significant level of organisational stability, such that organisational capacity to sustain itself is not eroded (Miller, 2004, p. 9; Sturdy & Grey, 2003, p. 651Taylor-Bianco & Schermerhorn Jr, 2006).

These apparently paradoxical perspectives on organisational change signify greater complexity than may generally be attributed to change phenomena. The dissonance created by the paradoxes hints at the inability of the prevailing paradigm in providing novel solutions to emergent challenges (cf. Kuhn 1996).

In reflecting on the status of change and organisational change knowledge, it seems appropriate to align and conclude this part of the address with an earlier insight by Le Bon (1909, p.10)...

“Every conclusion drawn from our observation is, as a rule, premature, for behind the phenomena which we see clearly, are other phenomena that we see indistinctly, and perhaps behind these latter, yet others which we do not see at all.”

Up to this point,
I have briefly reminded the audience of the significance of the organisation as a social structure on which growing and ultimately affluent societies are deeply dependent;

I have commented on the pervasiveness and intensification of that systemic attribute we refer to as organisational change. Moreover, I have indicated some of the challenges of contending with change and I have highlighted the severe consequences that follow in the wake of such change - which manifest at the individual, group, organisational and societal levels.

It should be evident that the prevailing trends observed in terms of large-scale change initiatives, on the balance of evidence available in the extant literature, would not imbue confidence. Indeed, from a shareholder, employee, or indeed family perspective the prospects of such adaptive responses understandably appear bleak.

As pointed out, all indications are that the scope and pace of change initiatives will intensify, yet the recorded success rates for change initiatives remain dismal. This is illustrative of the “change” dissonances or paradoxes to which I have alerted the reader and the audience.

In essence, I have considered one component in the change-identity relationship, which has proven to be a philosopher’s riddle - as illustrated by Theseus’ ship.

With this perspective as setting, I wish to briefly pause... and approach the organisational change challenge from the very different vantage point of identity, suggested by De Geus (1997) and Labich (1994).

IDENTITY AND ORGANISATIONAL IDENTITY

At this juncture I wish to refer back to our brief consideration of the declining life expectancy and high mortality rate of organisations. Levinson (1994) argued that the reasons for organisational demise are “situated” at a level substantially deeper than that at which the ostensible reasons for the situation are to be found. In this regard Labich’s (1994, p. 22 - 23) proposition that companies fail because somebody (in reference to executives) effectively “…lost the mental model” of the business is particularly relevant. He argues that this has the effect that “…decision-making becomes capricious and the company drifts”. Indicators of this state is a lack of, or uncertain focus, change fatigue and a tendency to engage in growth initiatives that is substantially removed from the institution’s fundamental business - often through inappropriate mergers or acquisitions. This, the author described as an identity crisis and argued that this phenomenon is at the root of the thousands of companies that head down the path of corporate failure. This is broadly consistent with the findings of a Royal Dutch / Shell study that was undertaken in the late nineties to establish the underlying success factors of the so-called “long-lived organisations” – in this instance referring to those organisations that existed for 200 to 300 years or more (De Geus, 1997).
Four critical survival factors appeared to differentiate this very small contingent of long-living organisations from the overwhelming majority that did not survive this long (De Geus, 1997, pp. 12-14). These were

- A sensitivity to, and an ability to act in a timely fashion on the environment (while maintaining a harmonious relationship with the environment);
- Cohesion and a strong sense of identity - regardless of the extent of diversification of the company;
- A strong degree of tolerance of activities in the margin - not unlike what would today be termed decentralisation, and
- Conservatism in matters of finance

What both the approaches by Labich and De Geus had in common is that they effectively suggested an alternative “theory”, albeit rudimentary, for comprehending organisational longevity. Even though the phenomenon of change is not formally addressed, it is nonetheless clearly discernable in both accounts. In the account by Labich (1994), the central theme, corporate failure, in itself is an indictment of the organisations’ ability to deal effectively with changing markets and other environmental conditions. The argument advanced, is essentially that the loss of the mental model i.e. a lack of identity is tantamount to failed change. The Royal Dutch / Shell study reveals a similar logic... long-living organisations, that is, organisations with a strong sense of identity and cohesion and sensitivity to the environment have successfully risen above the change dynamics for two centuries (De Geus, 1997).

Identity, though everything but a novel subject, is accorded a significant role in these studies. In order to appreciate the construct’s legitimacy and relative contribution, it is necessary to provide a brief overview of the background and status of the identity and organisation identity constructs.

**Personal, corporate and organisational identity**

Philosophers have grappled with the subject of identity for at least the past 2500 years and would let us know that the matter of “identity” is not a simple one, nor easily resolved. To illustrate this principle they raise questions such as “what is necessary and sufficient to be a person? More pertinently, what is required i.e. necessary and sufficient, to be me? And...to be me over time? At the group and organisational level this would translate into questions such as “what is necessary and sufficient for this institution and university to be regarded as the University of Johannesburg? And, secondly, to be continuously regarded as such i.e. over time?”
The philosophical exploration of identity at the level of the group and organisation may be achieved sensibly and to good effect, but other than sensitising us to the complexity of identity and change, this is beyond the focus of this address.

Our consideration of the subject, rather, is far more modest and pragmatic and essentially psychological in character - framed by the discipline of industrial and organisational psychology.

From within this framework several identity-based concepts can be distinguished. Of these, individual or personal identity is the most recognised forms at the level of the individual. At the level of the group and organisation, the most notable forms are corporate identity and organisational identity.

**Personal identity**

The term *identity* is widely used and assumed to be a derivative of the Latin *identitas* and *idem*, meaning “the same” (Abend, 1974), or the fact of being who or what a person or thing is. (Oxford Dictionary of English). While philosophers have debated the term and its meaning as far back as the sixth century before Christ, its first known occurrence in colloquial language dates back to approximately 1570 AD. At this time it was used as an expression to convey the personal quality or condition of being the same, being absolutely or essentially similar and to embody a sense of unity (Van Tonder, 1987).

The discipline of Psychology however contributed most to the latter-day understanding and use of the identity concept. Mead and Freud were some of the first scholars to articulate its relevance but were soon followed by a number of personologists who recognised the importance of the construct. The most notable contribution however was made by Erikson (1956, 1959, 1968) who described identity, among other, as the person’s inner sense of sameness and continuity of character. His enduring work and research on identity development during childhood and adolescence, ensured that identity became a household term and directly or indirectly informed virtually all identity research conducted during the subsequent two to three decades (Bourne1978a; Van Tonder 1987). Marcia’s (1966; 1967; 1976) operationalisation of Erikson’s identity concept in terms of different identity statuses spurned substantial research and secured ongoing research interest in the concept. Contemporary research on identity (cf. Jørgenson, 2006) continues to draw on Erikson’s theoretical fundamentals and attest to the enduring value of his conceptualisation of identity.

Apart from viewing identity as an inner sense of sameness and continuity of character, Schley and Wagenfield’s (1979) very general and often cited view that identity is a person’s total response to the question “who am I?", is equally popular. The term identity is however more often used to refer to a person’s uniqueness, solidarity, autonomy, continuity over time, and discreteness (Van Tonder, 1987). Some authors (Abend, 1974; Erikson, 1968; Van Tonder, 1987, 1999) further differentiate between the so-called fact of identity and the sense of identity where the former refers to a more descriptive and empirically observable account of
someone’s identity for example John’s identity as seen from an interpersonal, outsider-looking-on perspective. The sense of identity by contrast is the person’s subjective awareness that he/she possesses an identity or otherwise, for example John’s identity as sensed by him from an intrapersonal, reflective perspective.

Identity at the organisational level

Even though the identity concept has been in use for centuries, its application in organisational settings is more recent. At this level we observe that the vast majority of scholarly contributions address two forms of identity namely corporate identity and organisation identity – each with its own intellectual tradition. While both are derivatives of the root concept “identity”, and elements of an individual psychological theory is discernable in theoretical accounts of both constructs (Van Tonder, 1987; 2006a), this is rarely acknowledged – largely because of the intellectual origins of these constructs.

Corporate identity is an artefact largely of the communications and marketing disciplines (cf. Alessandri, 2001; Balmer, 2001; Van Riel & Balmer, 1997) and gained prominence as a practice field (initially promoted mostly by European scholars and practitioners), while organisation identity emerged from the management and organisation theory domains with early proponents located mostly in the USA.

Applied psychological perspectives on organisation identity however constitute a rare, and insignificant element of this discourse, with the most notable contributions made from within the systems psychodynamic (cf. Czander, 1993; Diamond, 1993) and social psychological frameworks (Ashforth & Mael, 1989; Haslam, 2001; Haslam, Van Knippenberg, Platow & Ellemers, 2003; Hogg & Terry 2000a).

During the past two decades scholarly contributions in the corporate and / or organisation identity areas have increased steadily (cf. Balmer & Stotvig, 1997; Kiriakidou & Millward, 2000) and exponentially so since 2004. This rapid growth in interest resulted in journals such as the Academy of Management Review, The European Journal of Marketing and the British Journal of Management devoting focused attention to the notions of corporate and organisation identity. Identity in and of organisations is now unquestionably a well-established, but diversified discourse (Van Tonder, 2007).

Commencing with corporate identity I briefly outline the different approaches to identity in organisational settings and raise the key concerns in respect of research in these areas.

Corporate identity

Although Martineau is credited with the coining of the phrase “corporate identity” around 1958 (Balmer & Greyser, 2003, p. 67), the subject of corporate identity appears to have emerged more purposefully during the 1970s when it was consciously differentiated from “corporate image” (Alessandri, 2001). Balmer (2001) has argued that “corporate identity” followed in the wake of “corporate image” which has enjoyed prominence since the early 1950s and 1960s.
Since then, practitioners in the USA, which were subsequently followed by UK design consultants and German and French practitioners, essentially accounted for the sustained managerial interest in the subject (Van Riel & Balmer, 1997).

Corporate identity is generally viewed as those attributes of the organisation that are purposefully employed to project and portray the organisation in a specific manner to various stakeholders – largely through persuasive visual means. Several intellectual traditions have however characterised the conceptualisation of corporate identity, initially comprising seven conceptual categories or clusters (Balmer, 1995) but these have since been reduced to two conceptual categories (cf. Balmer & Wilson, 1998; Van Tonder, 1999; Van Tonder & Lessing, 2003).

The focus and relatedness of the two dominant approaches can be illustrated with Glover’s (1993) metaphor of a “reversible raincoat”. The first and more traditional school of thought, views corporate identity as the visual manifestation and projection of a desired corporate identity and accentuates the visual and design elements of the organisation as being the essence of the phenomenon. This approach is equated to the external surface of the raincoat.

The second school of thought, which is represented as the internal surface of the raincoat, equates corporate identity to the organisation's innate or distinct personality or character (cf. Balmer, 1995; Glover, 1993; Olins, 1996; Van Rekom, 1997; Van Riel & Balmer, 1997) and emphasises the organisation’s mission, philosophy, and culture as core components of the corporate identity. The visual attributes are considered simply as manifestations of the underlying, distinctive character of the organisation. This latter school corresponds substantially with the conceptualisation of organisation identity.

In essence though corporate identity is concerned with the visual positioning of the organisation so that it is identifiable to its various stakeholders from which, it is argued, distinct benefits accrue.

Contemporary organisational and management practice invests heavily in corporate identity and increasingly in the related concept of corporate branding which is a contemporary evolution that transcends corporate identity and which integrates elements of corporate and organisation identity (Esterhuysen & Van Tonder, 2006).

**Organisation identity**

*Organisation identity* represents the second and substantially more recent application of the identity construct in organisational settings. It is not clear when and where the term *organisation identity* came into use, but suffice it to note that Albert and Whetten’s (1985) work represents a critical milestone in the evolution of the concept. Until more recently, and in stark contrast to the proliferation of contributions in the field of corporate identity, the *organisation identity* literature revealed a marked absence of contributions. In general terms organisation
identity is often presented as the innate character or personality of the organisation and equates to the “inside” surface of Glover’s (1993) “raincoat”. This however is an overly reductionist view of organisation identity, which is itself characterised by substantial theoretical diversity.

Initially four intellectual traditions were identified from the sparse organisational identity literature base (Van Tonder, 1999) but more recently these were narrowed down to three, namely the psychoanalytic, social identity, and classical approaches to organisation identity (Van Tonder, 2004a).

The psychoanalytic approach is probably more appropriately referred to as a systems psychodynamic perspective as it applies psychoanalytic concepts and theories to the organisation and is represented by the work of for example Czander (1993), Diamond (1993), and more recently Brown and Starkey (2000). This tradition views organisation identity among other as the unconscious foundation of organisation culture, an interpretative framework from which the organisation can be analysed and the motivation and behaviour of its members can be understood, and an unconscious defence against anxiety.

The social identity approach (cf. Ashforth & Mael, 1989; Haslam, 2001; Haslam, Van Knippenberg, Platow & Ellemers, 2003; Hogg & Terry, 2000a) is concerned with the individual’s quest for a positive social identity, which is secured through affiliation with a group or groups that are sufficiently attractive to seek belonging to it. The notion of social identity of course is equally relevant when the group or organisation is taken as the unit of analysis. Accordingly, the group or organisation seeks to establish a more positive social identity through affiliation with larger systems.

The classical approach was described as such because it more closely approximates (and is grounded in) one or more of the psychological parameters of Erikson’s (1959, 1968) original concept of identity (cf. Van Tonder, 1999; Van Tonder & Lessing, 2003). Research residing within this tradition is more pertinently concerned with identity as an organisation-level phenomenon i.e. as an attribute of the system-as-whole (Wells, 1980) and most scholars typically take Albert and Whetten’s (1985) definition of organisation identity, which is defined as the core, distinctive and enduring features of the organisation, as point of departure. Work by Albert and Whetten, 1985, Dutton and Dukerich, 1991; Van Tonder, 1987, 1999 and more recently Carstens and Van Tonder, 2006; and Sugreen and Van Tonder, 2006; are representative of this approach to organisation identity.

Corporate versus Organisation identity

Both corporate identity and organisation identity are considered to be highly relevant to organisational functioning and it is generally taken-for-granted that improved performance,
financial rewards, and organisational success accrue from a clear and identifiable corporate or organisation identity (e.g. Ackerman, 1984; Balmer & Dinnie, 1999; Chajet, 1989; Labich, 1994; Melewar, Saunders & Balmer, 2001; Simões & Dibb, 2001). The importance and assumed impact of both corporate and organisation identity appears to be one of the most consistent areas of agreement emerging from the different literature streams, even though the dynamics of this purported relationship is unclear and empirical support is lacking (Foreman & Whetten, 2002; Van Tonder, 1999; Van Tonder & Lessing, 2003).

The fundamental difference between the two constructs relate to the conceptualisation of that which constitutes the identity of the organisation. Organisation identity in a manner of speaking articulates the organisation’s character in residence while corporate identity effectively reflects a somewhat contrived desired or ideal character for the organisation. Subject to corporate identity being congruent with the innate organisation identity of the organisation, it is more appropriately regarded as the “external” manifestation of organisation identity (Kiriakidou & Millward, 2000; Van Tonder, 1999). Organisational psychology naturally is more concerned with the internal or innate character of the organisation.

**Conceptual and operational challenges**

The relative clarity of this position however belies the complexities that characterised the largely conceptual discourse, and which enveloped the identity discourse during the past two decades (Van Tonder & Lessing, 2003). A multitude of conceptual and operational difficulties are indicative of research on both corporate and organisation identity.

Notwithstanding the general acceptance of Albert and Whetten's (1985) definition of organisation identity as those features of the organisation that are distinctive, core, and enduring, Schley and Wagenfield's (1979, p. 20) open-ended view of identity as the totality of the response to the question “who am I?”, when applied to the organisation, enjoys similar acceptance (Albert et al., 2000; Badaracco, 1998; Balmer, 1995; Pratt & Foreman, 2000b; Van Tonder & Lessing, 2003). This holds true also for the view that identity is the organisation’s distinctive or distinguishing attributes (Balmer & Gray, 1999; Balmer & Stotvig, 1997; Elsbach & Kramer, 1996) and the organisation’s distinctive character (Van Tonder, 1999). None of these definitions were previously subjected to formal testing or used in an empirical setting, suggesting that the conceptual parameters of organisation identity and hence its existence remain unclear.

Pervasive concerns that continue to contribute to confusion at the level of research and application include the ambiguity of identity terminology, a lack of clarity on the role and purpose of identity in a broader theoretical framework and the incomplete and often competing theoretical frameworks with which organisation identity was approached (Albert et al., 2000; Christensen & Askegaard, 2001; Pratt & Foreman, 2000b; Van Tonder & Lessing, 2003; Van Tonder, 2007).
A perspective that garners intuitive support, traces the prevailing confusion around identity terminology pertinently to the scarcity of empirical research (cf. Balmer & Soenen cited in Alessandri, 2001). While an upsurge in interest in the identity concept is noted, contemporary literature still reflects a paucity of empirical research (Brooks, Rosson & Gassmann, 2005; Melewar, 2001; Van Riel, Van den Ban, & Heijmans, 2001). Conceptual contributions to the organisation identity discourse were abundantly in evidence, yet very few of these were subjected to empirical testing, which raise questions about scholarly commitment to empiricism. In this regard we are reminded firstly that “Nature converses civilly with reason and logic, but yields her secrets only to perceptive experience. Inquiry must begin with the latter.” (Sandelands & Srivatsan, 1993, p. 19) and secondly that, …“In the end, any conceptualization is only as adequate as its empirical support” (Maddi, 1980, p. 443).

Research at UJ on Organisation identity

In the absence of empiricism, the conceptual debate invariably becomes directionless, repetitive, and stale. For this reason the organisation identity research commencing around 1996 at the former Rand Afrikaans University and currently continuing at the University of Johannesburg pertinently focused on the need for relevant theory and empiricism. Not only are the results thus far obtained encouraging, but despite its preliminary status, it will advance our understanding of the organisational change and organisational identity relationship somewhat. I therefore wish to very briefly outline the bare essentials of this research.

While empirical research proper only commenced in 1996, the platform for a more elaborate theory of organisation identity was established in 1987 with a study that systematically reviewed the historic-semantic and psychological meanings ascribed to identity (Van Tonder, 1987). The identity construct was reconceptualised and its meaning parameters clarified with regard to closely related constructs. An Eriksonian theory and process model of small group identity emerged from this process.

Building on the conceptual framework provided by this study, a formal theory of organisation identity was advanced in 1999 and the organisation identity construct substantively tested in a mixed methods study which involved 152 top executives of 10 medium to large companies (Van Tonder, 1999). The use of triangulation, employing different operational definitions, and quantitative and qualitative methodologies, strengthened the observations so obtained. Results revealed that each organisation had a distinctive factual (empirical) identity as well as a clear sense of identity. Both these constructs, but the organisational sense of identity in particular, correlated strongly with various indicators of organisational performance (self-report and hard financial data). Organisations with clear and strong identities performed substantially better than organisations with weak and poorly developed identities (see Table 1). The results provided support for the proposition that organisation identity directs...
organisational focus, facilitates organisational adaptation and consequently leads to improved performance – in particular during times of change. It was consequently further postulated that organisation identity functions as a framework that filters and directs the organisation and employees' perceptions, and influences decision making and action from “below-the-surface”. From this perspective we would expect identity-strong organisations to be more focused, deal with change more effectively, perform better, and to outlive identity-weak organisations.

During 2006, four empirical studies on various facets of organisation identity were reported at an international symposium (Carstens & Van Tonder, 2006; Esterhuysen & Van Tonder, 2006; Sugreen & Van Tonder, 2006; Van Tonder, 2006b; Van Tonder & Van Tonder, 2006). Using a variety of research designs, which employed quantitative and / or qualitative methodologies, these studies confirmed the existence of organisation identity and its relatedness (both the fact of identity and the sense of identity) to organisational performance, culture, change, focus, development challenges, and life cycle stage. The previously recorded prominent role of the organisational sense of identity was confirmed in three of these studies. Comparative studies in addition revealed that organisations can be clearly differentiated on grounds of their identity status.

Several (2007) studies are currently exploring the relatedness of organisation identity to change management and the experience of organisational change, while empirical efforts at refining the theoretical structure of the Organisational Sense of Identity Questionnaire is simultaneously receiving attention and nearing completion.

The most prominent observations derived from these studies confirm

- the empirical reality of organisation identity – as a commonly held collective yet tacit meaning structure or mental model about the organisation in relation to position markers and “peers” in the relevant industry.

- the relevance of the organisation identity construct, through revealing a consistent relationship with organisational performance and other key attributes of the organisation.

- the presence of two distinctly different concepts of identity, with the first being a more reified account of the organisation’s distinctive, enduring and unifying attributes (referred to as the fact of identity) and a preconscious awareness of the quality of the organisation’s identity – referred to as the organisational sense of identity.

- several sense of identity statuses which cluster into three primary categories i.e. a healthy or positive identity status; an inadequate or deficient identity status (embracing identity crises) and an intermediate or diffused identity status. Of these, problematic identity issues (“negative” identity statuses) were substantially more salient, and a
a consistent relationship between a strong and clear, i.e. a healthy organisational identity and high performance. Poor or unsatisfactory performance aligned with a troublesome or deficient identity.

At an applied level, the results (Van Tonder, 2004b) more specifically revealed that organisations with a clear and strong sense of identity, when compared to their counterparts who experienced diffused identities or identity crises:

- Presented with greater clarity of purpose and focus, exuded an inner confidence, were likely to be in or entering a growth stage in their life cycle, and performed substantially better on a variety of performance indices. When sense of identity was uncertain (diffused) organisational focus and performance was adrift, which provide some validation for Labich’s (1994) comments (cited earlier).

- Displayed strong identities regardless of scope of operations and size of asset base, whereas identity diffusion was more prominent in larger organisations suggesting that if identity is not consciously attended to (managed), identity problems are likely to emerge during the maturation / elaboration of structure stage in the organisational life cycle – when organisations are on the verge of entering a decline stage.

- Attended more to organisational attributes that could be described as internal and more directly relevant to organisational performance e.g. long term objectives, success orientation, culture, stakeholders / clients, systems, employees, and work climate, whereas those whose identity was diffused or unclear, displayed a preoccupation with peripheral features such as corporate identity and image, social role / prominence, its name, and size of the asset base.

- Were more tolerant of changes in non-core attributes (allowed greater relaxation of controls in these areas) while organisations with deficient identities tended to be more prescriptive and attempted to tighten (control) practices and organisational actions to a greater extent.

- Appeared to ride (tolerate and survive) the waves of turbulent and revolutionary change (in this instance radical socio-political change and severe macro-economic challenges) far better than those with diffused, fragmented and / or inadequate identities who reported “survival struggles” and “crunch times”.

**ORGANISATION IDENTITY AND THE PARADOX OF CHANGE**

These findings represent a modest but significant contribution towards a coherent and empirically validated theory of organisation identity

If we then turn to the relationship between organisation identity and organisational change and reflect on our brief consideration of the two fields, it seems clear that change scholars have
finally stumbled onto the change-stability challenge (or paradox). By contrast, they have not yet detected the tacit but powerful presence of identity and do not as yet appreciate that “who I am”, and “who we are” are important when engaging the subject of change.

On the other side of the equation, identity scholars, who have been engrossed in a protracted debate, devoid of empirical substance, are only now awakening to the need for empiricism. This should eventually lead to the formulation of more holistic and coherent theories of identity, and an improved understanding of the identity-change relationship.

Our own research precludes presumptuous claims about understanding the identity-change relationship, but the research findings to date are encouraging and allow some comment on the organisation identity phenomenon and hence the identity-change relationship. Let us briefly consider the identity-change relationship.

**Identity and Change: Early wisdom and contemporary research and practice**

I essentially wish to relate our current knowledge of identity and change, very briefly, to the wisdom conveyed by of Heraclitus and Plutarch’s account of Theseus’ ship.

1) **Heraclitus and the doctrine of flux**

Current change and institutional change management realities as outlined in the beginning of this address…that of a perpetual change landscape, which leaves everything in its way substantially altered, aligns with Heraclitus’ doctrine of universal flux or constant change. Heraclitus, a Greek philosopher who lived from 535 - 475 BC, became known for his doctrine of universal flux, and is most often quoted for his statement that *a person cannot step into the same river twice, as both the person and the river would have changed when the second step is attempted* (cf. Graham, 2007). (The actual fragment translated from the Greek by Patrick, 1889, p. 104, reads “LXXXI: Into the same river we both step and do not step. We both are one and are not.”)

In terms of the identity-change relationship Heraclitus’ view of constant flux implicitly suggests that identity is subjugated to the forces of change… change will transform identity. This perspective aligns with contemporary views of continuous organisational change and predictions of a continuous and rapidly changing environment. By implication long living (sustainable) organisations with essentially intact identities are impossible. As a result of major change new and different organisations, or ships or clans, will continuously emerge…for example….the University of Johannesburg will, successively, become or change into the university of Soweto, the university of South Africa, the university of SADEC, and so forth.

**Pragmatics** derived from the existing research on organisational change, for example the predicted ongoing environmental turbulence and the frequency of unsuccessful large-scale
change initiatives, paradoxically imply that should the organisation, say the university, elect not to change because of the risk, that it would in any event be overtaken by change and be transformed into some other university. From this perspective the most effective approach for dealing with change actually entails, paradoxically, not changing at all, simply as the outcome at a general level, of changing or not changing, is essentially similar (a new entity with a new identity), except that the non-change strategy will entail less effort, direct, indirect and social costs. This in itself implies a surrender of identity to change regardless of the choice of change strategy opted for (change or non-change).

2) Theseus’ ship and the doctrine of growth and change

Theseus’ ship, by contrast, similarly suggests a context of continuous change, but rather than negating identity, philosophers merely reflect doubt about the nature and character of the identity that is retained during and after the change (whether it is the same ship or not, it has a ship-like identity).

Change is survived and some form of identity retained, where the retained identity is essentially similar if not identical to the original identity. In the case of Theseus’ ship this implied a conscious commitment of the Athenians to retain the identity of the ship for the next 400 years.

The pragmatics we can derive from existing research is limited to the study by De Geus (1997) that revealed that only about 27 organisations, similar to Theseus’ ship, transcended the challenge of change for periods in excess of 200 years. These organisations are truly sustainable organisations, for they endured while disturbingly high organisational change failure and mortality rates were unfolding around them. In these instances identity has subjugated change in an enduring manner. Unfortunately the empirical research base on identity is too young and unfocused to shed more light on this strategy of contending with change.

The identity-change relationship

The question arises, which of these perspectives offers the most appropriate and sensible perspective for approaching the identity-change relationship ... that of Heraclitus? or Plutarch’s “Thesean ship”?

We are not in a position to adequately fathom the earlier philosophers' riddles with respect to change, and it is not our intention. We can however argue on the basis of our initial theory-based research pursuits, that the subject of organisation identity may support an alternative paradigm for considering organisational change.
Recall that we indicated earlier that several apparently contradictory messages are provided by existing research on organisational change (the so-called paradoxes). These were

- **“change OR do not change”** - managers should change their organisations to survive, but because of poor success rates, might just as well not change – as their organisations are unlikely to survive in the form that they wish to retain them in a post-change situation.

- **“change AND do not change simultaneously”** - managers should transform their organisations yet retain stability and avoid compromising the ability of these organisations to sustain themselves.

Our initial empirical observations about strong and weak identity organisations appear to be consistent with observations by Labich (1994), and De Geus’ (1997) research on long-living organisations. In these cases sustainability and longevity, i.e. the mastery of enduring change, is a function of identity status. While this argument broadly aligns with the change-identity philosophy embodied in the metaphor of Theseus’ ship, it is at odds with Heraclitus’ equally appropriate philosophy of change. This leaves the response to the identity change question somewhat ambiguous, except...if we note Kahn’s (1979) research which informs us that Heraclitus was misinterpreted for the greatest part of history, and that analysts failed to consider his predisposition towards subtle “language games” that is, the intellectual challenges he created through his sophisticated use of literary vehicles. Graham (2007) subsequently informed that the common interpretation of the person stepping into Heraclitus’ river, and both he and the river being completely transformed, is in fact incorrect. Despite the paradoxical appearance of the statement, it is in fact inherently consistent.

The statement does not refer to all-consuming change...rather the expression of the river as being the same yet not the same (as is the person who steps into it) actually refers to change of the river through continuous motion and flow, but the river remains a river. So too is the person inherently changed by the river but remains a person nonetheless (Graham, 2007).

This perspective is entirely consistent with the identity-change relationship embodied in Theseus’ ship, and our initial empirical results that suggested that identity-strong organisations are in a better position to sustain themselves during change, and in fact provides further validation for Erikson’s (1964, pp. 95 - 96) view that

*Identity connotes the resiliency of maintaining essential patterns in the process of change. Thus, strange as it may seem, it takes a well-established identity to tolerate radical change, for the well-established identity has arranged itself around basic values which cultures have in common.*
Viewed, from this perspective it would seem that the apparent contradiction (or paradox) of change AND do not change...of change and stability, is actually not so. Change and stability is in fact attainable by complementing organisational change with stability (no change) in identity.

In summary then, our initial organisation identity results align with the essence of early philosophical positions on change and identity, as well as Erikson’s (1968) observations from clinical practice. Accordingly, we suggest at this early stage that organisation identity holds the key to organisation sustainability over time and during times of tumultuous change.

_In conclusion: Towards the pragmatics of identity and change_

It would seem that a clear, coherent and strong organisational identity is fundamental to surviving the ravages of change and time - in building sustainable, long living organisations. As a result of the growing power and influence of organisations and the dependence of civil society on these organisations for its own health and sustainability, sustainable organisations is increasingly becoming an expectation of communities and societies. This expectation unavoidably translates into a pronounced social responsibility for organisations and corporate office bearers.

Secondly, from the research covered in this address it should be clear that the custodians of organisation identity i.e. those that guide and lead organisations, in themselves should have a clear and strong sense of personal identity, which is unquestionably aligned to that of the institution. In the end it would seem that change is more about identity and less about change.

In closing I wish to return to the various ships that we named at the onset of this address: If Theseus’ ship, the University of Johannesburg, Angloplatinum, other corporates, and the Labuschagne and other clans are to endure, a clear and strong identity is an imperative. This requires serious contemplation among Theseus’ crew of the interrelated questions “who am I?” and “who are we?”. It also requires a commitment to the preservation of who I am and who we are. This is probably the greatest challenge to institutional longevity yet also the key to realising such sustainability.

Thank you.

_Acknowledgements_
The education, support, and effort of loved ones, friends and colleagues provide the platform and the context in which we pursue life. Without this, life would be a very short and a bleak experience.

REFERENCES


DBM (1995) see Drake Beam Morin.


Stats SA – see Statistics SA


**Table 1**

**Sense of identity for top and worst performing companies (Source: Van Tonder, 2006)**

<table>
<thead>
<tr>
<th>Company</th>
<th>Performance Rank order</th>
<th>Industry</th>
<th>Core business</th>
<th>Distinctive description (Fact of Identity)</th>
<th>Dominant Sense-of-identity status</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO4</td>
<td>1</td>
<td>Mining:</td>
<td>Operating bituminous and anthracite collieries</td>
<td>A company with clear character and a sense of unity, aggressively on the acquisition trial, with a low key, understated profile (Cluster CE3)</td>
<td>Strong sense of unity and character</td>
</tr>
<tr>
<td>CO5</td>
<td>2</td>
<td>Industrial: Stores (retail)</td>
<td>Retailing of clothing, footwear, accessories and home textiles, including the manufacturing of clothing</td>
<td>A stable, progressive and non-conforming company with a strong market orientation and a solid history (currently in a rejuvenation phase and undergoing change) (Cluster CE7)</td>
<td>Experiencing an identity crisis / Identity diffusion</td>
</tr>
<tr>
<td>CO6</td>
<td>9</td>
<td>Industrial: Food</td>
<td>Processing of natural protein and related products (e.g. meat and leather)</td>
<td>A very large, diversified business with world-class quality standards and products, struggling with past leadership issues and current performance, and currently in a survival stage (Cluster CE8)</td>
<td>Pronounced preoccupation with corporate identity, some sense of identity diffusion / identity crisis and in search of identity</td>
</tr>
<tr>
<td>CO3</td>
<td>10</td>
<td>Mining:</td>
<td>Operating gold mines.</td>
<td>A vision driven, unique, risk-orientated, dynamic and charismatic company with a strong results focus, but highly susceptible to variation in economic conditions (Cluster CE5)</td>
<td>Some preoccupation with corporate identity; some overarching sense of identity (some identity-relevant attributes, identity not unclear or at a loss, or consciously searching for identity).</td>
</tr>
</tbody>
</table>