

IDENTITY OF AN ENTERPRISE AS A DISTINCT VALUE IN A CULTURE OF HIGH TOLERANCE FOR UNCERTAINTY

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Abstract. The identity of an enterprise, once overlooked by theorists, has gained significant attention across multiple disciplines, including management, sociology, and economics. In today's dynamic business landscape, especially within cultures of high tolerance for uncertainty, corporate identity has emerged as a crucial element for success. Such cultures, characterized by flexibility, openness to change, and risk acceptance, require companies to establish a strong identity to navigate uncertainty and maintain coherence. Corporate identity integrates values, goals, culture, and operational methods, ensuring the company remains distinct and trustworthy amid constant change. This research aims to explore the theoretical and practical aspects of corporate identity as a distinct value in a culture with high tolerance for uncertainty, emphasizing its role in strategic decision-making and adaptability. The study is based on an interdisciplinary theoretical framework, utilizing general and specialized scientific research methods. These methods, including system analysis, theoretical generalization, and qualitative approaches, were employed to highlight challenges related to corporate identity and offer solutions. The research also incorporates perspectives from psychology, sociology, and management to analyze how identity functions in uncertain environments. The study highlights several factors contributing to the importance of corporate identity: cultural diversity, mission and values, image and reputation, organizational culture, management style, innovation capacity, and communication processes. It was found that companies with a well-defined identity are better equipped to manage risks, adapt to market changes, and build long-term relationships with stakeholders. A strong corporate identity enhances employee motivation, stakeholder trust, and the ability to innovate, thereby fostering a competitive edge in uncertain environments. The findings underscore the significance of corporate identity as a strategic asset in managing uncertainty. In today's globalized, rapidly changing market, businesses must prioritize the development and maintenance of a clear, cohesive identity to ensure resilience and sustainability. Future research should focus on further exploring the role of corporate identity in different cultural contexts and its impact on long-term competitiveness and innovation.

Keywords: corporate identity; uncertainty tolerance; organizational culture; strategic decision-making; cultural diversity; risk adaptation; innovation management; stakeholder trust.

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Introduction. Until recently, the identity of a company did not interest theorists, as "(...) many believed that for the proper functioning and understanding of a company's operations, it is sufficient to know its strategy, which is part of planning, and its structure, which is part of organization. However, many theorists acknowledge that much more happens within companies than just the development of new products and services and the adherence to hierarchical structures and management mechanisms" (J. Róg, 2007).

One crucial aspect of a company's strategy is establishing its identity. Recently, this topic has garnered interest across various scientific fields, including management and organization, economics, sociology, and philosophy. Each discipline examines corporate identity from its unique perspective while drawing insights from others, creating an interdisciplinary field of research. The more we analyze identity, the more compelling it becomes, particularly within the context of a high tolerance for uncertainty, a concept from cultural studies and management.

A culture of high tolerance for uncertainty, as defined by Dutch social psychologist Geert Hofstede, describes how societies, groups, or companies respond to ambiguity and risk. Characteristics of such a culture include a rapid transformation of information and a lack of stringent requirements for structure. Here are some key traits:

Low Need for Structure: People in this culture are open to new and unfamiliar situations, preferring to explore and adapt rather than rely on strict plans.

Risk Acceptance: These societies are more willing to take risks for potential benefits, encouraging innovative actions and solutions.

Increased Flexibility: Individuals can adapt quickly to change and unpredictability, remaining less troubled by unforeseen events.

Openness to Diversity: There is a greater acceptance of different cultures, perspectives, and values, with less judgment based on social norms.

In a culture of high tolerance for uncertainty, companies typically exhibit specific attributes and approaches:

Innovation and Exploration: Companies are more open to new ideas and risks, focusing on innovation and new solutions. Employees and management are willing to take risks with new products, services, or processes.

Adaptation to Change: These enterprises are adaptable to changes in the business environment, ready to respond quickly to market or technological shifts.

Openness to Diversity and Perspectives: Valuing diverse perspectives fosters creativity and better decision-making. Companies seek employees with varied experiences and skills.

Collaboration and Open Communication: Internal and external communication is more open, with collaboration across different hierarchy levels and departments, aiding in recognizing and responding to changes effectively.

Risk Management: While embracing risks, companies are knowledgeable about managing them, using risk analysis and scenario planning to mitigate potential negative impacts.

Long-Term Planning: These companies engage in long-term planning to prepare for various future scenarios while maintaining flexibility.

Operating in a high tolerance for uncertainty culture involves embracing change, making decisions with limited information, and using a multi-variant decision-making model. In today's global business environment, the influx of advertisements and information through mass media and social networks introduces new norms and values but also complicates corporate identity.

Therefore, creating a company's identity is vital, as it encompasses its values, goals, culture, and way of functioning. This identity helps navigate the complexities of a rapidly changing environment, ensuring the company remains recognizable and trustworthy.

It's also worth noting that there is a certain alignment and dependency between a company and its identity. The company creates its own identity, which in turn establishes its clarity, aiding in quicker identification of products or services. Ultimately, this influences the creation of the company's brand. Considering a company's identity in the context of a culture of high tolerance for uncertainty, it's important to highlight that it becomes not only a key element of its image but also a distinct value that enables the company to survive and dynamically thrive in an uncertain environment.

Literature review. Transitioning to the analysis of the concept of a company's identity, it's important to note that it presents certain difficulties in terms of definition and exploration. This situation arises from the attributes and values that constitute identity, as well as the interdependence and cultural conversion embedded within it. Sociologist Ya. Rog highlights the role of culture, specifically cultural assumptions, stating that *"The deepest, and at the same time, the most enduring and challenging level of organizational culture is basic cultural assumptions. These assumptions form the foundation on which the building of a company's identity stands. If culture were an iceberg, linguistic, behavioral, and physical artifacts would be the tip rising above the water's surface, while assumptions would be the hidden foundation deep within the ocean. Reaching these assumptions is very difficult, but we attempt to do so because they are the essence of culture"*.

Psychologists emphasize the role of corporate style, which focuses on *"internal sense of belonging, identification, and values that shape organizational identity"* (B.E. Ashforth, F. Mael, 2004). Sociological analysis of corporate identity considers the social context, relationships with stakeholders, and interactions with the surrounding environment that shape corporate identity (Por, 2000). In turn, the philosophical perspective emphasizes the issues related to goals, ethics, morality, and authenticity that influence a company's identity (Albert and Whetten Revisited, 2006). Each of the mentioned scientific viewpoints provides valuable insights into a company's identity in the context of a culture of high tolerance for uncertainty (Hitt M., 1996). Analyzing the nature of corporate style, it's worth noting that in contemporary socio-economic conditions, it is the result of a complex interaction process involving management, organizational culture, values, and stakeholder expectations. Therefore, managing a company's identity in such an environment becomes not only a challenge but also an opportunity to create valuable strategies and enhance the organization's competitiveness. Properly managing this term makes it a stable foundation that allows a company to function effectively and adapt to a dynamic environment.

Furthermore, this factor is extremely important in the face of numerous challenges that demand adaptation and flexibility from companies. Uncertainty, which is inherent in the analyzed type of culture, is an integral element of a company's life. Therefore, those who lead must consider and implement numerous variations of their entrepreneurial activities.

L. Sulkowski, who states that, supports this assertion: *"High tolerance for uncertainty is associated with companies' readiness to act in situations of information scarcity and variability. In enterprises, this means a readiness for risk and an orientation towards frequent transformations. Companies with high tolerance for uncertainty do not seek to maintain the status quo but are prepared to embrace external changes and undergo transformations. They typically adapt more easily to changes in the surrounding environment and exhibit flexibility. The alternatives and scenarios created by managers are quite non-deterministic. Information scarcity and multiple options are anticipated, and rapid changes are seen as opportunities. More emphasis is placed on the organization's openness than its stability"* (Ł. Sułkowski, 2002).

From an efficiency perspective, according to H. Steinmann and G. Schreyögg (H. Steinman&G. Schreyoegg, 1992), a company's identity can serve both positive and negative functions. Among the positive functions are:

1. *Perceptual function:* Identity determines how the company is perceived, conveys a clear image of the company, and makes it understandable and transparent to employees.

2. *Integration function:* Identity acts as a kind of social glue that holds the company together. Common patterns reduce uncertainty, fear, provide a sense of security, and reinforce self-confidence.

3. *Communication function:* Standardized orientation and language speed up reconciliation processes. Signals are interpreted more reliably, and information is transmitted with minimal distortion.

4. *Decision-making function:* A shared language, coordinated value systems, and preferences facilitate decision-making, compromise, as well as enhancing motivation and formal control within the company.

5. *Adaptation function:* Culture generates ready-made response patterns to environmental changes.

Aims. The research is aimed at studying the theoretical and applied aspects of the enterprise's identity as a separate value in a culture of high tolerance for uncertainty.

Methodology. The theoretical and methodological basis of the study is the scientific works of scientists from different countries who studied the problems of the development of corporate culture and its individual characteristics. The article is written using general and special methods of scientific research. The use of methods of scientific knowledge made it possible to highlight problematic issues on the research topic and offer new ways of solving them.

Results. It's worth mentioning that the identity of a company is considered a significant value by a large group of interdisciplinary scholars and practitioners due to a range of associated factors that influence how the company is perceived both internally and externally. Justifying this assertion, it's important to take into account and briefly discuss several components (Figure 1).

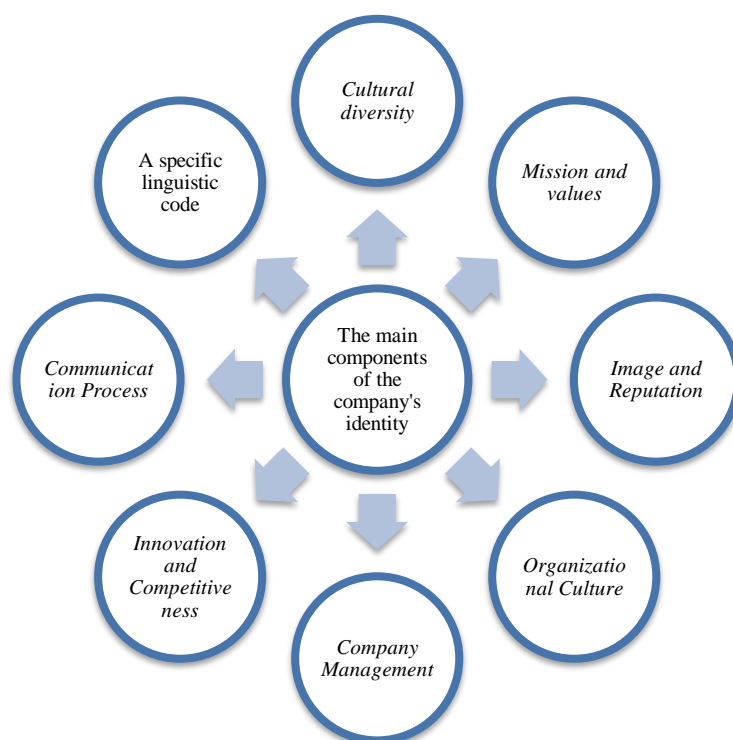


Figure 1. The main components of the company's identity

Source: systematized by the authors

1. *Cultural diversity*: Companies often have employees from diverse cultures, values, and beliefs. The company's identity stems from its ability to integrate these differences in a coherent and valuable manner. As Tim Cook, CEO of Apple Inc., stated, *"We believe that diversity makes our company stronger, more innovative, and more accessible to everyone"* (K. Leander&T. Cook, 2019).

2. *Mission and values*: Companies frequently articulate their mission and values, which define their purpose and way of functioning. These elements can serve as the *spiritus movens* of their identity when they act in alignment with the proclaimed values and mission. Such a state of affairs attracts potential employees who quickly identify with the values upon which the company operates and the presented mission. Clearly defined values and company mission translate into increased motivation and dedication to work. Employees who feel connected to a particular organization are more motivated, creative, and ready to take initiative, leading to enhanced work efficiency and results within the company. Additionally, well-defined company values and mission make the company transparent and trustworthy in communication with external stakeholders, which contributes to strengthening trust and fostering long-term collaboration. Stakeholders such as customers and investors often seek companies with a certain identity, as it provides them confidence that the organization is deserving of trust and operates in accordance with specific values. As Richard Branson stated, *"Our mission is to make a positive difference in the communities where we work and to enhance people's quality of life worldwide"* (R. Branson, 2014).

3. *Image and Reputation*: The identity of a company shapes how it is perceived by others. By creating a positive image and reputation, companies gain the trust and loyalty of customers and employees. Organizations with a strong and consistent identity are seen as authentic, reliable, and mindful. Stakeholders, including clients,

investors, and employees, are more likely to establish long-term relationships with organizations that have a clear and appealing identity. Company identity serves as the foundation for building the aforementioned trust and loyalty, which is crucial for sustaining long-term success in the market. American investor Warren Buffett wrote in one of his works, *"It takes 20 years to build a reputation and five minutes to ruin it"* (R. J. Connors, 2010).

4. *Organizational Culture*: The identity of a company is also expressed through its culture, which includes shared norms, values and customs. Organizational culture influences the behavior of employees and creates a unique character for the organization. The organizational culture researcher Edgar Schein notes that *"organizational culture is the hardest thing to change in an organization, but it's also the most important to maintain"* (E. H. Schein, 2004). In turn, J. K. Solarz argues that organizational culture determines the effectiveness of management methods, failures and successes, which is why its creation is an important element in building authority in the company. Ethical standards, values, customs, attitudes and behaviors of organization members create a climate that is favorable or hindering the efficient management of others (J.K. Solarz, 1998).

Stephen Robbins, stating that, emphasizes the importance of organizational culture for a company, among others: *"A vital component that forms the culture of an organization is its internalized axionormative system and the subsequent development of the cultural richness of the organization. A systematic catalog of cultural behavior is indicative of organizational homeostasis. This state of affairs is typically stabilized by internal control, which, by introducing order in the organization, allows it to continue and evolve. Three components have a significant impact on the process of strengthening organizational culture: selection, or the employee selection system, the management, and the process of socialization"* (J. F., Terelak, 2005).

5. *Company Management*: The identity is heavily influenced by the people who lead it and the management style they adopt. Carrying out managerial functions is a complex task that requires competence, experience, responsibility, and certain inclinations. The form of organizational culture at a particular workplace will depend on the management skills in decision-making, task formulation and execution, as well as the personal involvement of leaders. This viewpoint is also shared by Stephen Robbins in the following statement: *"The management staff, in addition to functions: planning, organizing working conditions, leadership, and control, through what they say and how they act, influences attitudes, shapes personal employee behavior, characteristics, establishes standards for, among other things, risk, dress code, profitability of actions (regarding promotion, advancement, rewards), or freedom of decision-making that management should leave to their subordinates. As a result, this affects the organizational climate"* (S., Robbins, 1997). In turn, J.F. Terelak highlights in management that *"(...) it plays a special role in the organization's culture, ensuring compliance with group norms and competencies within the privileges and responsibilities arising from the formal structure of the organization"* (J. F. Terelak, 2005). M. Dobrzyński adds that organizational culture depends on the dominant type of motivation in managers' actions, namely: achievement, power, group affiliation, and security (J. Róg, 2007). The aforementioned dependencies have allowed the creation

of four types of organizational cultures (organizational climates). These are: an innovative culture, where the focus is on skills, inclinations, achievements, independent actions, innovation, and employee creativity. The second type of culture is based on an autocratic climate, in which the main aspirations of the management staff are to have power, influence, and control over others. Dominance and submission are integral elements of relationships among employees, limiting their freedom of action. The third model is the affiliative model, based on the motivation of group affiliation, where friendly interpersonal relationships are highly valued and an atmosphere conducive to work and satisfaction among members of the organization is created. Employees within it are equal partners; they collaborate with each other and shape each other's activities. A dominant value is adopted within the group. The final type of culture is the bureaucratic model, where the dominant motivation of the management staff in the workplace is security, personal security in the occupied position. Employees' activities are based on formal, rigid standards, rules, and procedures. The above analysis shows that the quality and style of management influence the form of a company's identity. The management method appears to be particularly useful in organizations where the workforce consists of people with different ethnic or cultural characteristics. Leading such a team requires leaders to be sensitive to the possibility of potential misunderstandings, tension, conflicts, which sometimes result from a misinterpretation of views, behavior, and attitudes, the sources of which lie in a different value system embedded in another culture.

6. *Innovation and Competitiveness*: Companies with strong identity tend to be more innovative and capable of competitive advantage.

7. *Communication Process*: An important attribute that influences the creation of identity and, at the same time, cooperation and the imparting of specific values embedded in a company is the communication process, which, according to W. Banka, plays an invaluable role, as this factor is a fundamental condition for the "life" of each company (A. Bańka, 2008). The effectiveness and quality of communication, both in the vertical system, i.e., in the context of formal relationships, and in the horizontal system, i.e., concerning informal contacts, depend on the style of communication. This style defines the communication atmosphere, which refers to the quality of interpersonal relationships between employees. It consists of the well-being of employees, driven, among other things, by their gratitude, respect, and mutual trust among members of the organization who, due to their professional role, constantly interact with other organization members. According to J. Stankiewicz, the formation of a positive communication atmosphere is based on valuing individual employees' time, trusting them, and demonstrating that they are important, needed and appreciated (J. Stankiewicz, 2007).

8. *The communication process within a company should involve the use of a specific linguistic code that is only understandable within the confines of that group*. This allows for the development of an employee's identification with the organization, which, in turn, acquires the character of an exclusive (closed) group, creating a collective image of the group and the organization through this code. In other words, the shared use of the same linguistic codes creates and reinforces a working connection.

Discussion. The observations mentioned above show that a company's identity plays a crucial role in ensuring its stability and consistency in the face of uncertain external conditions. It's not just a tool for defining and conveying the organization's goals, but also a guide for making strategic decisions. In such a corporate culture, adaptability and adjustment to new conditions are essential, and the organization's identity serves as a stable foundation during times of change. A clearly defined organizational identity enables employees to understand the organization's values and goals, influencing their commitment, motivation, and identification with the organization.

High tolerance for uncertainty demands openness and flexibility from entrepreneurs when interacting with stakeholders. As mentioned earlier, corporate style plays an important role in building trust and positive relationships with customers, business partners, employees, and society. A well-defined organizational identity contributes to a positive image, authenticity, and consistency in actions, fostering connections and loyalty among stakeholders.

In today's complex business environment, companies face numerous challenges such as unstable competition, rapid technological changes, and growing customer expectations. In this context, a company's identity plays a key role as a foundational value that provides uniqueness and distinctiveness in the market. The company's identity helps define its goals, values, mission, culture, and modes of operation. It's a fundamental element in building success, longevity, and competitiveness for the organization.

It's worth noting that a strong corporate identity in a culture of high tolerance for uncertainty can contribute to creating a unique market position for the given entity. Its well-defined identity allows a focus on values that differentiate the company from competitors, and furthermore, the discussed identity can serve as a foundation for building a strategy, selecting target markets, and creating products and services that align with customer expectations.

As mentioned earlier, a company's identity is the essence of its existence, as it revolves around a set of values, beliefs, goals, and ways of interacting with the surrounding environment. Additionally, this identity acts as a glue that unites employees, stakeholders, and clients around shared values and goals. Companies with a clear identity are also better prepared for managing changes (M. G. Pratt, 2000). In a dynamic business environment where companies often face various challenges and uncertainties, their identity serves as a stable reference point. It aids, among other things, in making strategic decisions regarding shifts in direction, the adoption of new technologies, or adaptation to growing market expectations. Moreover, it provides employees with certainty and consistency, which facilitates the adaptation process, while ensuring the continuity of its operations.

Conclusions. Summing up, it can be concluded that the corporate identity is undoubtedly a strategic tool in today's business landscape. It serves as a guiding factor in making strategic decisions, supports the selection of target markets, shapes the creation of products and services, and establishes relationships with stakeholders. A well-defined company identity facilitates effective change management and ensures consistency in its operations. Moreover, it is crucial for building resilience and success

in a dynamic and competitive business environment. The company's identity, as a distinct value, takes on special significance in today's society characterized by a culture of high tolerance for uncertainty. In the face of dynamic changes, market uncertainties, and increasing competition, companies require a strong identity foundation to define their strategic directions and make effective decisions.

In today's society, characterized by a culture of high tolerance for uncertainty, corporate identity plays an even more crucial role. The increase in uncertainty is driven by various factors such as globalization, rapid technological advancement, shifting market trends, and social and political tensions. In this context, businesses must navigate uncertainty and instability while maintaining coherence and continuing their operations. A well-defined identity serves as a reference point and provides a stable foundation for operating in an exceptionally dynamic and uncertain environment. Identity acts as the "soul" of a company, as it *"defines its values, mission, culture, and goals"* (D. A. Gioia, M. Schultz, & K. G. Corley, 2000). Moreover, a clearly defined company identity helps employees, clients, and other stakeholders understand its mission and strategy, what sets it apart, and what its objectives are. This is important for building relationships and engagement both within and beyond the organization.

Summarizing the presented points it should be noted that a company's identity is undoubtedly a valuable asset, as it is the result of cultural diversity, mission and values, image and reputation, organizational culture, and innovation capability. These elements give the company a unique character and allow it to stand out among others. Furthermore, in a culture of high tolerance for uncertainty, corporate style plays a key role in change management, strengthening trust and loyalty among employees, as well as in interactions with clients and other stakeholders. A strong organizational identity becomes a stable foundation that enables organizations to function effectively in an uncertain and dynamic environment. Companies with a strong identity have a competitive advantage, attract and retain highly qualified employees, strengthen the trust of stakeholders, and create an environment conducive to innovation. As stated by A. Albert Cannella Jr., a professor at Texas University, the corporate style *"becomes a key factor in success and sustainable development"*.

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