

In the face of change: Analyzing organizational identity shifts and their effect on financial performance



Idea:

In the context of rapid advancements in science and technology, firms are consistently engaged in strategic adaptation to their environment, particularly when transitioning physical products to digital service systems. For instance, newspaper firms have evolved from print-focused organizations to multimedia publishers. Hence, one aspect of the firm that is particularly affected by the temporal orientation of the past, present, and future innovation portfolio is its organizational identity (i.e., who it is used to be, who it is now, and who it wants to become). However, less is known about how such identity shifts impact firms' financial performance.

Study design:

Organizational identity will be operationalized through computer-aided text analysis of company reports. Integrating this organizational identity operationalization with financial indicators in correlation and regression analyses will provide insights into how organizational identity shifts affect financial performance.

Relevant Literature:

Albert, S., & Whetten, D. A. (1985). Organizational identity. In L. L. Cummings & B. M. Staw (Eds.), *Research in organizational behavior: An annual series of analytical essays and critical reviews* (pp. 263–295). Greenwich, CT, London: JAI Press.

Voss, Z. G., Cable, D. M., & Voss, G. B. (2006). Organizational identity and firm performance: What happens when leaders disagree about “who we are?”. *Organization Science*, 17(6), 741-755.

Yoo, Y., Henfridsson, O., & Lyytinen, K. (2010). Research commentary—the new organizing logic of digital innovation: an agenda for information systems research. *Information systems research*, 21(4), 724-735.