

Autonomy is the key as star value shifts from man to firm

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As Indian firms begin to be recognised the world over, they are becoming celebrities in their own right. Some of these firms have generated a fan following comparable to those of film stars or cricketers. Just how different is this celebrity status of a firm from that of a human star?

Not very much, if we are to believe Violina Rindova, Timothy Pollock and Mathew Hayward. In a paper titled "Celebrity Firms: the Social Construction of Market Popularity" published in The Academy of Management Review in 2006, they extend the concept of celebrity from the individual to the firm.

They find that the high level of public attention and the positive emotional responses that a celebrity attracts works just as well for the firm as it does for the individual. Just as the celebrity status of our cricket stars provide them greater financial opportunities than, say, our hockey players, Rindova, Pollock and Hayward find that celebrity firms have greater economic opportunities available to them.

The authors go on to develop a theoretical framework which goes into the creation of celebrities. Not surprisingly they find the media has a prominent role to play in the process. The media gives the firm life by creating what is referred to as a "dramatised reality" when reporting on the industry as well as on the firm's actions. Celebrity firms on their part play up to the media's need for a "dramatised reality" by taking non-conformist actions and proactively working to manage impressions about themselves.

Seeking to manage impressions and actually succeeding can of course be two very different things. There is a need for a celebrity to touch the right chord to evoke the desired response. And if we stay with the argument that there isn't too much difference between the human celebrity and a celebrity firm, recent research has thrown up some interesting suggestions.

One example is Mathew Thomson's empirically rigorous paper, 'Human Brands: Investigating Antecedents to Consumers' Strong Attachments to Celebrities', published in the July 2006 issue of Journal of Marketing.

His results suggest that the attraction of a celebrity depends on the ability to not just relate to the persons being targeted but to also enhance the person's feelings of autonomy. At the same time, the celebrity must do nothing to hurt the individual's feelings of competence.

These studies are not based on the Indian experience but it is not difficult to find local examples that confirm these results. The emergence of celebrity firms is a hallmark of the Information Technology industry. The more successful IT firms have a fan following that offers them benefits not just in the stock markets but also in the increasingly competitive task of attracting high quality skilled manpower.

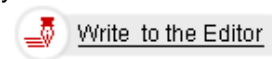
What is more the building of the image of the Information Technology successes would substantiate most of Thomson's findings. Much of their image is associated with a strong sense of autonomy. This sense of autonomy is based not just on the hopes of making millions. The very nature of the industry, with employees shifting freely from one firm to another, also enhances this sense of freedom and autonomy.

At the same time, the very term information technology suggests competence. It plays on the identification of technology with complexity. Being associated with the industry is then seen as evidence of an ability to deal with complexity. This feeling persists even when the firm is working at the less complex levels of information technology enabled services.

Indeed, any suggestion that the work being done is mundane is guaranteed to generate a strong reaction. Other industries do not quite have the inherent advantages of the IT firm in enhancing feelings of competence and autonomy.

They cannot always afford the high attrition rates that are the other side of autonomy. And the mundane elements of their work are often seen as being just that. But if these firms want the economic opportunities of being celebrities,

they too would need to find ways of generating the same feelings of competence and autonomy.



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