National Identity and Organizational Identity in Algeria: Interactions and Influences

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Abstract

This article examines how national identity influences organizational identity. The interactions and influences between these two identity levels have been underexplored in the identity literature. However, given the national and geographical anchoring of businesses, national identity plausibly influences both their behavior and their organizational identity. This article presents a qualitative case study of the organizational identity of four family-run Algerian businesses, leaders in their respective industries. It theorizes a process model explaining the influence of national identity on organizational identity through three identity mechanisms: protection, justification, and adaptation. The findings suggest that organizational identity can be a social affirmation response whereby businesses demarcate their role in a challenging institutional context. This work opens new research avenues in this field by highlighting the interactions and influences that characterize these two dimensions of identity in a country actively engaged in the identity formation process, which exemplifies a dynamic and complex institutional context.

Keywords: Organizational identity; National identity; Dynamic and complex institutions; Family-run businesses; Legitimacy; Africa

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National values are central to national identity. They play important roles in forming organizational identity (Glynn & Watkiss, 2012; Hannan et al., 2006; Jack & Lorbiecki, 2007; Kroezen & Heugens, 2012). However, their effects have rarely been studied (Gioia et al., 2013; He & Brown, 2013). Apart from a few exceptions (Glynn & Watkiss, 2012; Jack & Lorbiecki, 2007), no large-scale empirical study has examined the influence of national identity on organizational identity. Gioia, Patvardhan et al. (2013, p. 163) argue that the identity values of a country ‘have not yet been thoroughly examined in the context of organizational identity formation’. These two concepts are arguably related for at least two reasons.

First, the institutional and cultural contexts of organizations comprise values that influence, constrain, or facilitate daily operations. Toubiana (2020) recently showed the weight of institutions in the formation and maintenance of organizational identity. Second, the territorial and institutional anchoring of organizations that emerge, evolve, and disappear within a single geographical area evidently influences their identity (Lejeune & Vas, 2011; Zimmerman, 2008). Therefore, national identity can be considered an important factor in the formation of organizational identity (e.g., Jack & Lorbiecki, 2007). On the individual level, Nelson and Gopalani (2003) found that national values have major effects on individual behavior, including the decision to join an organization (Scarborough, 1998), and individuals’ values, beliefs, and attitudes (Hampden-Turner & Trompenaars, 1993), along with their perceptions and cognitive processes (Chatterjee & Pearson, 2000; Gioia, 1998; Neelankavil et al., 2000). Influences on individuals thus resonate throughout organizations and their management practices (Hofstede, 2007) given that the organization is a cooperative system (Barnard, 1938).

This article addresses the following question: how does national identity influence organizational identity? Specifically, organizational identity refers to ‘what members perceive, feel and think about their organizations. […] a collective,
The qualitative case study of organizational identity in four Algerian family-run businesses, leaders in their respective industries, constitutes a fertile research field given the proliferation of calls for more empirical research in contexts different from those of industrialized western nations (George et al., 2016; Kolk & Rivera-Santos, 2018). Algeria is an intriguing context in that it is among the many African countries engaged in identity formation following recent historical decolonization movements (McDougall, 2017). These dynamic contexts highlight identity formation at both the national and organizational levels. In contrast, in more mature institutional fields, identity is more stable and established, and movements hence more difficult to discern (Zietsma et al., 2017).

This study proposes a process model comprising three identity mechanisms (protection, justification, and adaptation) that illustrate how national identity influences organizational identity. These identity mechanisms underscore the fact that the mirror effect of national identity characteristics on organizational identity does not result uniquely from selective adaptation for legitimization purposes, but rather from affirmation of organizational identity. This argument builds on the works of Glynn and Watkiss (2012) by proposing a more dynamic and holistic understanding in which organizational identity is forged in response to national identity, yet can also contribute enduringly thereto.

Literature on organizational and national identity and their interaction

Organizational identity: An introduction to the research

Organizational identity has been a hot topic among academics in recent decades. Since the seminal works of Albert and Whetten (1985), our understanding of organizational identity has evolved considerably (Gioia et al., 2013). Initially, it referred to the traits of an organization that, in members' view, are central to the character of the organization, distinguish it from similar organizations, and are perceived as enduring (Albert & Whetten, 1985; Whetten, 2006). However, many studies have demonstrated that organizational identity may be malleable and dynamic (Fiol, 2002; Gioia et al., 2000).

These questions have fueled a conceptual and epistemological debate on the distinction between two connected but essentially different concepts: culture and organizational identity. This conceptual ambiguity (Ravasi, 2016; Whetten, 2006) ensues from inconsistent usage by academics, and especially the many empirical studies that affirm interrelations between these concepts (e.g., Canato et al., 2013; Hatch et al., 2015; Ravasi & Schultz, 2006). In this article, we subscribe to Hatch and Schultz's (2002) argument that the explicit nature of identity claims clearly distinguishes them from structures of cultural meaning, which are rather tacit. Contrary to the broader concept of culture, organizational identity refers to a narrower set of structures of meaning that illustrates how members develop, express, and project their organizational sense of self (Hatch & Schultz, 2000, p. 23).

According to Gioia et al. (2013) the identity field has struggled to reach maturity. At the beginning, most studies examined change rather than identity formation. Identity itself was studied as one of the explanatory variables of organizational change (Gioia et al., 2013).

Two main directions distinguish research on organizational identity formation. The first direction explores organizational factors that influence the identity formation process of the organization, notably executives’ and founders’ values and beliefs (Gioia et al., 2010; Hannan et al., 2006; Kroezen & Heugens, 2012). Founders lay the foundations of organizational identity as an extension of their individual identity (Gioia et al., 2013; Kroezen & Heugens, 2012). Similarly, organization members’ experiences can serve as behavioral references in a new organization (Walsh & Bartunek, 2011). Organizational culture has also been construed as a variable that influences organizational identity formation (Ravasi & Schultz, 2006) by supporting executives’ sensemaking in an identity reconstruction process. It is also a platform for ‘sensegiving’ intended to shape internal perceptions in response to an identity threat (Ravasi & Schultz, 2006). Lastly, organizational narratives (Boje, 1991; Czarniawska, 1997; Humphreys & Brown, 2002; Wertsch, 2012), generally based on the knowledge and practices that underlie organizations (Nag et al., 2007), are considered internal factors that influence organizational identity formation.
The second research theme concerns external factors that influence identity formation within organizations. One such factor is the quest for legitimacy (Clegg et al., 2007; Labianca et al., 2001). This resembles the idea of ‘social fitness’ and ‘identity resonance’ put forth by Glynn and Watkiss (2012, p. 78), who propose six cultural mechanisms that organizations use to increase their legitimacy vis-à-vis certain audiences by integrating certain societal values to their identity. In a similar vein, inspired by institutionalist theories, Greenwood et al. (2011) argued that institutional complexity influences the identity formation process in organizations. Dominant stakeholders also condition the identity formation process (He & Brown, 2013; Ravasi, 2016). For example, the media can shape organizational identity through important and positive coverage (Kjærgaard et al., 2011). By contributing to the prestige or reputation of an organization, it can affect how members define their identity. Lastly, the rare studies mentioned in the next section suggest that identity and national values are highly important factors in organizational identity formation (Glynn & Watkiss, 2012; Jack & Lorbiecki, 2007).

**National identity and its effects on organizational identity**

The literature uses the concepts of culture and national identity interchangeably, or at least confounds them. Mostly overlooked in organizational theory (e.g., Ailon-Souday & Kunda, 2003; Jack & Lorbiecki, 2007), the idea of national identity is tinted by a culturalist vision of classic works in comparative management, which views ‘national culture’ as a set of shared values. Hofstede (2001, p. 1074) criticize this objectivist vision for not considering the socially constructed, dynamic, and negotiated nature of national identity; the Hofstedian vision ‘thus fails to take into account the freedom that members have in defining what national belonging means, in shaping this identity’. Beyond this conceptual debate, we start from the hypothesis that culture or rather national subcultures are bases for national identity. This objectivist conception supplements the socio-constructivist or postmodern visions of national identity, with their discursive, symbolic, and metaphorical dynamics (Ailon-Souday & Kunda, 2003; Jack & Lorbiecki, 2007).

Identity and national values are known determinants of organizational behavior (Nelson & Gopalan, 2003), including executive decisions (Geletkanycz, 1997). They affect the discourse actors employ to legitimize their practices (Barinaga, 2007), along with international marketing strategies (Steenkamp, 2001) and strategic responses to institutional pressure (Schneider & Meyer, 1991). In organization theory, few studies have explored the relationship between national and organizational identity. In a rare example, Jack and Lorbiecki (2007) showed how the definition of Britishness explains the discursive dynamics of the organizations studied. They conclude that this relationship is complex and ‘suggestive of the contradictory connections between national and organizational identities, and of the disjointed, discursive and affective characteristics of organizational identity’ (Jack & Lorbiecki, 2007, p. 79). Glynn and Watkiss (2012) argued that organizational identity draws on the resources of local culture to define ‘who we are’, and that alignment of organizational identity with societal and cultural values favors its acceptance. Glynn and Watkiss (2012) also asserted that organizations increase their acceptance and legitimacy when they align their identity with local values, norms, and cultures. Clegg et al. (2007, p. 509) found that organizations adjust their identity to ‘construct their legitimacy’.

In a classic study, d’Iribarne et al. (1998) showed how Islam, a fundamental value of national identity, allowed the Moroccan subsidiary of an electronics multinational to become one of the most effective subsidiaries in the world by influencing the way its employees define themselves in their daily work. House et al. (2004) in their empirical GLOBE study compared 62 cultures in 951 organizations and found that they tend to internalize local values in their actions.

Gerhart (2009) adopted a perspective that ran counter to the literature on the interaction between national and organizational identities and studied instead the influence of national culture on organizational values, and the magnitude of this influence. He concluded that ‘future research is needed to identify when national culture constrains organizational culture and when it is less likely to do so’ (Gerhart, 2009, p. 255). He calls for exploration of mechanisms that explain the influence of national identity on organizational identity. However, Glynn and Watkiss’s (2012) six mechanisms have not been validated or studied empirically in the literature. Gioia et al. (2010) proposed other arguments to explain why organizations adapt their identity, notably the need to develop internal guides for strategic action and daily practices. These admittedly rich theoretical contributions nonetheless neglect the mechanisms of interaction between national and organizational identity. The present article takes a more dynamic stance by viewing identity as a social construction (Ailon-Souday & Kunda, 2003; Ravasi & Schultz, 2006).

**Methodology**

This article presents a case study of four Algerian family-run businesses, leaders in their respective sectors: Benamor,
Cevital, Hasnaoui, and Soummam. The scarcity of research and theories on the interaction between national and organizational identities led us to choose a holistic inductive multiple case study (Eisenhardt, 1989). Inductive case studies are useful to develop theory on underexplored phenomena and research questions (Yin, 2003). Beyond the legitimate debates on the pertinence of one versus several cases (for an interesting read, see Dyer & Wilkins, 1991), multiple case studies are intended to produce ‘comparative data, and so are likely to yield more accurate, generalizable theory’ (Ozcan & Eisenhardt, 2009, p. 249). We also wanted to determine why four very different organizations with few connections share many identity traits. This quest shaped our research question on the influence of national identity. Accordingly, we analyzed the four cases to determine whether this discovery reveals a pattern or if it is ‘simply idiosyncratic to a single case or consistently replicated by several cases’ (Graebner & Eisenhardt, 2007, pp. 26–27).

**Empirical context: Important characteristics of Algerian national identity**

According to George et al. (2016, p. 377), ‘Africa is the world’s second largest continent, covering over 30 million square kilometers, or the size of China, India, the United States, and most of Europe combined’. Yet this continent is woefully absent from the organizational theory literature. Scott’s (2005, p. 478) assertion, made over a decade ago, still holds: ‘[a]n embarrassingly large proportion of our theoretical conceptions and empirical findings has been constructed by U.S. scholars based on data collected from U.S. organizations’. This is particularly regrettable given that developing countries, notably African countries, are central to seminal studies (Bourdieu, 1977b; Lévi-Strauss, 1967). For our purposes, Africa, owing to its colonial past and vast cultural diversity, represents a fertile context to better understand the behavior of organizational actors in emerging institutional contexts.

The sociological and historical literature (see Appendices) shows that the characteristics of Algerian national identity are closely linked to the historical construction of the country. Most African countries underwent similar processes and followed fairly similar paths (Wallerstein, 1960). Colonization and its aftereffects marked identities and the referents of their formation (Dramé, 2013; Werbner & Ranger, 1996). Be it in the Maghreb (Bourdieu, 1977a; Toualbi-Thaâlibî, 2000), Sahel (Boilley, 2011; Kitissou & Ginsberg, 2014), West Africa (Dramé, 2013), or sub-Saharan Africa (Havard, 2007), the construction or formation of national identity has been influenced mainly by the search for a postcolonial identity during which values and aspirations run up against tensions and ambivalence concerning political and socioeconomic choices.

In Algeria, four identity trends interact. They are most likely connected to the effects of the liberation war and the resulting ideals. Muslim values, the failure and disorder of the institutional system, contradictory attempts at nationalization followed by liberalization of the economy, and the sociopsychological effects of the civil war in the 1990s (Gupte, 1982; Hafsi & Cherchem, 2017; Hemissi & Hafsi, 2017; Martinez & Boserup, 2016; McDougall, 2017; Nellis, 1980; Singh, 1966). These trends are (1) concern for social justice, (2) solidarity and sharing, (3) aspiration toward unity, and (4) valorization of stability, particularly institutional.

**Field of study: Four Algerian businesses**

The four businesses studied (see Table 1) are still run by their founders, except for Benamor, which is currently operated by the second generation. The companies are between 30 and 48 years old. Three of them are similar in size; the fourth one is larger. These cases can be described as revelatory because they have rarely been explored in qualitative research (Yin, 2003). We have selected four comparable businesses in terms of governance (family-run) and geographic context, but they differ along other dimensions (e.g., age, size, sector, and nature of relations with public authorities). These points of comparison can enrich the data and theorization (Dyer & Wilkins, 1991; Eisenhardt, 1991). Given the underrepresentation of Africa in organizational theory, this choice answers the call for new theorization based on underexplored empirical phenomena (Acquaah, Zoogah, & Kwesiga, 2013; George et al., 2016).

**Empirical data**

To conduct the research, we gathered extensive, diverse empirical data including semi-structured interviews, observations, and archives (see Table 2 for details). This richness ensures the quality of the data and their analysis, and the transferability of results consistent with the interpretive nature of this research (Lincoln & Guba, 1994).

**Semi-structured interviews**

The actors who played a pivotal role in the historical development of the businesses studied kindly agreed to participate in interviews. Accordingly, the researchers conducted 148 semistructured interviews with 97 respondents
between 2007 and 2018. These interviews are concerned with themes related to the entrepreneurship process, organizational values, institutional difficulties, political and institutional strategies, and the way the organizations define themselves at the interface of society and politics. All the authors helped conduct the interviews, albeit to varying extents. The authors share the nationality of the respondents, yet their geographical proximity to the study context varies. Coordination between the authors ensured a legitimate and transparent balance between the advantages (understanding and cultural sensitivity) and risks (bias and lack of discernment) (Dwyer & Buckle, 2009; Yeo & Dopson, 2018) of proximity.

We interviewed the founders, executives, board members, local community members, and business partners of each business. Apart from the Soummam case, interviews were conducted with all family members who held top management positions. We also interviewed actors from the business world, and senior public servants who had recently held important political functions. The interviews were mostly conducted in French and partly in Arabic. Due to the ‘extreme’ nature of the political and institutional context (Hällgren et al., 2018), audio recordings were rarely permitted. However, detailed notes were taken and supplemented after each meeting.

Semistructured interviews lasted for 90 min on average. They were supplemented by ‘conversational interviews’ (Golden-Biddle, 2020) exceeding 450 h and exchanges of over 600 emails. The researchers also attended many events (seminars, conferences, etc.) where the organizations’ executives spoke. The number of interviews conducted per case varied. We did the fewest interviews at Soummam, although the interviews with the founder lasted much longer than average. It is also the business covered by the most taped media interviews, largely available online.

### Observations

Approximately 450 h of observation, much of it as participants, was done in the four organizations. For Cevital, one of the co-authors acted as the consultant and established relations of trust with the executives during several executive development seminars. The same co-author was a strategic management consultant at Hasnaoui. For Benamor, another co-author acted as the consultant to the President and chief executive officer (CEO) between 2014 and 2018. He accompanied the President on trips within and outside the country, through which he gained more intimate knowledge of the individual and his close associates. For Soummam, one of the co-authors participated in four trade fairs organized in Algeria, Sudan, Mauritania, and Qatar, attended by the executives. More informal meetings took place between the researchers and top managers of these organizations. All of these observations informed our understanding of the complexity of the identity of the organizations studied.

### Archives and documentation

We collected extensive documentary data (such as media materials, books, industrial reports, government reports, and press articles). In addition to digital and physical archives of some ministries (Agriculture, Rural Development and Fisheries; Industry and Mining; Commerce; and Housing, Urban Planning and Cities), reports consulted pertained to national development strategies and sector surveys. About 40 h of material from media sources was viewed, and 95 articles from the main Algerian and foreign media were analyzed. Lastly, sociological and historical books and references were consulted to understand the fundamental characteristics of Algerian national identity (Djellali, 1992; Étienne, 1977; Gupte, 1982; Harbi & Stora, 2004; Lacheraf, 1965; Martinez & Boserup, 2016; McDougall, 2017; Nellis, 1980; Singh, 1966).

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1. Cevital officially emerged in 1995, but the business derives from several preceding companies.
Table 2. Details on empirical materials

<table>
<thead>
<tr>
<th>Sources and information</th>
<th>Usage in analysis</th>
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<tbody>
<tr>
<td>Interviews</td>
<td><strong>148 interviews conducted between 2007 and 2018 with 97 participants</strong></td>
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<tr>
<td>- Cevital: 42</td>
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<td>- Benamor: 46</td>
<td></td>
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<tr>
<td>- Hasnaoui: 18</td>
<td></td>
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<tr>
<td>- Soummam: 10</td>
<td></td>
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<tr>
<td>- Public authorities: 12</td>
<td></td>
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<tr>
<td>- Business world (partners, competitors, and actors): 12</td>
<td></td>
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<tr>
<td>- Local communities 8</td>
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<tr>
<td><strong>Interviews clarified organizations studied, their values, history, area of operations, and how they define themselves.</strong></td>
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<tr>
<td><strong>Interviews specified identity characteristics of the four organizations.</strong></td>
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<tr>
<td><strong>Interviews shed light on the social and institutional context in which the organizations studied operate.</strong></td>
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<tr>
<td><strong>Observation</strong></td>
<td><strong>About 455 h of observations and collaboration with the four organizations</strong></td>
</tr>
<tr>
<td>- Benamor: About 220 h of observation between 2012 and 2019. They include planned visits and CEO shadowing and involvement in specific projects by one author (not the one who observed Cevital). Observations and shadowing carried out in four countries (Algeria, France, Iran, and Tunisia).</td>
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<tr>
<td>- Hasnaoui: About 50 h of observation with two visits to plants and districts built by the company. Observations carried out in Algeria.</td>
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<tr>
<td>- Soummam: About 10 h of observation between 2017 and 2020 in Kabylie, Algeria. This lesser observation was compensated by extensive documentary research on the business, and viewing of about 8 h of video on the company and its executives.</td>
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<tr>
<td><strong>Observation served primarily to build trust with organizational actors.</strong></td>
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<tr>
<td><strong>Observation was crucial to “live” the reality of these organizations and perceive the embodiment of the values endorsed by the organizations’ executives daily.</strong></td>
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<tr>
<td><strong>By participating in some strategic activities of the organizations studied, we gained privileged access to top executives’ behavior toward public authorities, their partners, employees, and various stakeholders. This participation let us better understand the context and the organizational dynamics.</strong></td>
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<tr>
<td><strong>Observation and shadowing were crucial to understand, from the inside, (1) the values that guide the organizations studied and (2) how they define themselves.</strong></td>
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<td>- Press articles let us trace the chronology of specific events in each organization.</td>
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<td>- Articles also informed our analysis of international pressure and blockage experienced by the organizations studied.</td>
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<td>- Lastly, the written press was used to trace how the organizations define themselves in public, which let us contrast the image projected with the identity pillars through our interviews and observations.</td>
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(Continued)
Data analysis

Data were analyzed in three steps inspired by an inductive approach (Strauss & Corbin, 1997), guided by three concomitant intentions: (1) determine the identity pillars of the organizations by focusing on similarities rather than differences; (2) specify the identity mechanisms that explain similar behaviors; and (3) understand and theorize the influence of national identity on organizational identities, notably via identity mechanisms.

Step 1: Determine the identity pillars of the organizations studied. To understand the history, activities, and values that motivate the members of each organization, we examined repetitive and common activities such as local development strategies. We observed that the businesses endeavor to mask or downplay their operations and achievements. The institutional pressures they face generated both similar and divergent responses. By alternating repeatedly between behaviors observed and values conveyed by the actors, we conceptualized six pillars of organizational identity: proximity with the local community, strategic discretion, quest for economic legitimacy, quest for social legitimacy, will to construct society, and dynamic resilience. Although identity often refers to distinguishing features of organizations, we focus on traits of resemblance, despite important differences in the identities of the four businesses.

Step 2: Specify the identity mechanisms. We wished to understand the similarities observed in these organizations' behaviors despite their significant disparity. One of the avenues explored pertains to the influence of national context, in particular, national identity. We focused on the history of the country – notably the independence war – and how it relates to the way the executives of the organization defined themselves. We in particular explored the national history, striking identity trends and the social and institutional context, to discern the values central to the national identity, which seem to shape identity formation in the organizations studied. We also identified four fundamental trends in national identity that influence organizational actors’ behavior: social justice, solidarity and sharing, aspiration toward unity, and valorization of stability, notably institutional (see Appendices). From this identity context, patterns emerged, linking organizational behaviors, values central to their identities, and national identity trends. Consequently, we posit interaction between national identity and the identity of the organizations studied.

By alternating between the values central to identity on two levels and an inter-case analysis we identified mechanisms of protection, justification, and adaptation, which explain the development of organizational identity in interaction with national identity. This analysis is inspired by the approach that Gioia et al. (2013) used to categorize first- and second-order themes.
before establishing the aggregate concepts, which in our case are identity mechanisms. Figure 1 illustrates this data structure.

Step 3: Theorization of three mechanisms explaining the interaction between organizational identity and national identity. The empirical analysis informed a process model that clarifies how national identity influences organizational identity through institutional requirements. This process model is the fruit of sensemaking derived from analytical results that emerged from the previous two steps of the analysis (Locke, 2001). The model aimed to illustrate the relationships dynamic among the emerging concepts’ (Gehman et al., 2018, p. 298).

The process model suggests that national identity, on which we focus, influences institutional requirements by prescribing essential, fundamental values. Given the contradictions they

<table>
<thead>
<tr>
<th>First-order concepts</th>
<th>Second-order themes</th>
<th>Aggregate dimensions</th>
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<tbody>
<tr>
<td>• Close relations with local communities</td>
<td>Protection mechanism</td>
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<td>• Strong local anchoring central to businesses’ values</td>
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<td>• Businesses attribute their success to the local communities</td>
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<td>• Successes receive little media coverage to avoid visibility</td>
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<td>• Businesses minimize communication about their social commitment</td>
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<td>• Executives shun media and keep a low profile</td>
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<tr>
<td>• Engagement in promotion of private enterprise as an engine of development</td>
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<tr>
<td>• Businesses constantly defend their economic successes</td>
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<td></td>
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<tr>
<td>• Businesses excellence is promoted to justify their role</td>
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<td></td>
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<tr>
<td>• Ideological battle against stigmatization of private enterprise</td>
<td></td>
<td></td>
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<tr>
<td>• Businesses defend importance of private enterprise for Algerian society</td>
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<tr>
<td>• Will to achieve societal acceptance</td>
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<td>• Will to help public authorities in national development and construction</td>
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<tr>
<td>• Beyond wealth creation, businesses want to contribute to local development</td>
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<tr>
<td>• Recurrent affirmation of optimism in response to institutional pressure</td>
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<tr>
<td>• Perseverance to overcome challenges and institutional difficulties</td>
<td></td>
<td></td>
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<tr>
<td>• “Advance and never retreat”</td>
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</table>

Figure 1. Data analysis structure
These requirements led the businesses to develop three identity mechanisms. Our process model also suggests that these identity pillars are informed by the national identity and its set of values, on which organizations draw (Jack & Lorbiecki, 2007). Figure 2 depicts this model.

**Empirical results: Interaction between national and organizational identities**

Our analysis of four Algerian businesses found that their identities are consistent with national identity trends. Accordingly, development of organizational identity in interaction with national identity is marked by three mechanisms: protection, justification, and adaptation (Table 3 summarizes the arguments).

**Organizational identity as a protection mechanism**

First, the organizations under study develop practices and activities to survive in an institutional environment perceived as hostile to private business. Two organizational identity characteristics are associated with this defensive attitude: proximity with the community and strategic discretion.

**Proximity with the community**

The businesses studied are actively engaged in their community, sometimes substituting for the state and its institutions in projects aimed at improving living conditions in their communities. Marked by a national history that has always emphasized territorial anchoring, and by Islamic values and traditions, these businesses epitomize the notions of collectiveness and unity. Solidarity, mutual aid, contribution to regional development, and anchoring in the community are national values that the businesses express concretely. In turn, local communities greatly appreciate these organizations. When Benamor was robbed, the inhabitants handed over the culprits. The local community organized citizen efforts to remove administrative and bureaucratic hurdles for Cevital: ‘thousands of people marched on Thursday, May 25, 2017 at Bejaia to protest the blocking of Cevital projects’ (Chibane, 2019).

Benamor responded to the needs of the community that hosted its first tomato paste plants. The business helped pave roads, restore public buildings, and support professional training centers. It also assisted and encouraged entrepreneurs in agrifood support roles (transport, logistics, plastic crates, etc.), and helped farmers improve their planting, irrigation, and harvesting techniques. “Without Benamor, my son would never have imagined choosing agriculture as a profession. All of us here are indebted to them” (local farmer, 2015).

Similarly, when a Cevital plant in Sétif was damaged in a fire, over 900 employees continued to receive their pay for over one year, until the reconstruction: ‘our employees have built our success, and we ensure their day to day well-being’ (Cevital CEO, 2014). Hasnaoui claims: ‘it is easy for us to invest elsewhere, but we are committed to remaining close to our region’.
Table 3. Comparative analysis of four cases according to three identity mechanisms

<table>
<thead>
<tr>
<th>Mechanism</th>
<th>Identity characteristic</th>
<th>Empirical analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection</td>
<td>Proximity with the community</td>
<td>• Cevital: strong local anchoring in the greater Kabylie region and particular sense of belonging manifested by major investments in this region.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Benamor: strong local anchoring and privileged relationship with local communities. Local development and aid to farmers to support their agricultural development. Despite diverse opportunities, Benamor remains committed to local development projects.</td>
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<tr>
<td></td>
<td></td>
<td>• Hasnaoui: strong local anchoring and privileged relationship with local communities. Important local philanthropy activities and help for young entrepreneurs in the region of origin. Business deliberately maintains operation in Oranie, the family’s region of origin.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Soummam: strong local anchoring and privileged relationship with communities. Strategy of reinforcing local entrepreneurial skills. Founding president avoids investment outside his region of origin.</td>
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<tr>
<td>Strategic discretion</td>
<td></td>
<td>• Cevital: Due to its large size, its founder receives de facto media coverage. However, the business is historically very discreet and its main executives are little known and are highly unobtrusive and modest.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Benamor: Discretion central to the identity of the business, with recent openness. Business historically known for media discretion. A turning point in 2014 led the CEO to be spotlighted by the media, which sparked debates within the owning family. Main investments concentrated in a region remote from Algiers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hasnaoui: Discretion central to organizational identity. Hasnaoui is absent from the media. The owning family behaves discreetly, far from the public gaze. The founding president requires children to act humbly.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Soummam: Discretion central to organizational identity. Soummam minimizes its media presence, limited to the founding president, whose children ask him to reduce media appearances.</td>
</tr>
<tr>
<td>Justification</td>
<td>Quest for economic legitimacy</td>
<td>• Cevital: Valorization of potential of Algerian businesses to compete with the best. Through large investment projects and capacity to compete with multinationals, Cevital constantly promotes the vast potential of the national private sector.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Benamor: Valorization of economic contributions to legitimize private enterprise. Product quality repeatedly recognized internationally. Benamor argues that the private sector is ‘essential to the country.’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hasnaoui: Excellence as an engine of economic legitimacy. Given its vast expertise in construction and real estate, the founder regularly highlights his company’s achievements, which should encourage the state to support the private sector more.’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Soummam: Economic efficiency is an argument for economic legitimacy. The business is proud to be the sole national producer in an African country that is a leader on the international scene. CEO affirms the genius of Algerian entrepreneurs.</td>
</tr>
<tr>
<td>Quest for social legitimacy</td>
<td></td>
<td>• Cevital: Private enterprise is the engine of social development in the country. Cevital is firmly invested in a form of institutional work intended to promote the important role of the private sector in the social and institutional development of the country.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Benamor: A private company allied with the state and civil society for development of remote regions and construction of a modern country. Engaged in national food security. Benamor promotes the potential of private enterprise as an engine of social and institutional development.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hasnaoui: Major involvement in local communities construction of mosques and places of worship, commitment to building housing at affordable costs, which surprise the communities targeted. Makes recommendations to authorities about financing modes for popular housing, which influenced the legislation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Soummam: Sees its role as an ally of the state and civil society for development of remote regions and construction of a modern country. Committed upstream in the dairy value chain and local development of a disadvantaged area, thus affirming the social relevance of private entrepreneurs.</td>
</tr>
<tr>
<td>Adaptation</td>
<td>Construction of society</td>
<td>• Cevital: Symbolic role of archetype of Algerian capitalist model. Engages not only in job creation but mainly in promoting national production and economic independence.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Benamor: Essential role in food security notably tomatoes and wheat. Seeks to transform and modernize agriculture to achieve food security in the country.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hasnaoui: Essential role in social housing and neighborhoods to reinforce cohesion. Improve citizens’ quality of life through real estate and reinforce the entrepreneurial fabric in construction.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Soummam: Essential role in food security, notably milk. Supports young entrepreneurs and dairy producers to reduce national dependence on dairy imports.</td>
</tr>
<tr>
<td>Dynamic resilience</td>
<td></td>
<td>• Cevital: Demosntrates resilience through a confrontation approach with public authorities, thereby mobilizing civil society.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Benamor: Resilience by collaborating with the local community and public authorities.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hasnaoui: Numerous partnerships with specialized foreign companies to reduce imports and survive competition from large foreign construction companies. Maintains close relations with local authorities.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Soummam: Demonstrates resilience through strong synergy with the local community and pursues investment despite difficulties.</td>
</tr>
</tbody>
</table>

CEO, chief executive officer.
of origin and contribute positively to it’ (Hasnaoui CEO, 2016). Soummam put in place a shared value strategy based on support and financing for local farmers, animal feed suppliers, and pickers/deliverers: ‘what we have done for our region, no one else did, not even the public authorities. All our actions aimed to contribute to this fine country and fine region’ (Hasnaoui CEO, 2018).

Interaction with national identity

Our analysis indicates that proximity with the community is a protection mechanism that can be associated with two components of national identity: solidarity and sharing, and aspiration toward unity. First, firm community engagement refers to values of sharing and solidarity that are central to the national identity. This engagement is reinforced by the Muslim traditions and values that have naturally influenced organizational behavior in Algeria. These traditions, customs, and values lead the businesses studied to prioritize community engagement. Accordingly, the businesses have carried out many entrepreneurial initiatives contributing to job creation and enhanced economic and social dynamism in local communities: ‘we were raised with values that favour sharing and donations, especially because we have succeeded thanks to these people’ (Soummam CEO, 2018). Second, this proximity is a strategy that protects the firms from ostracism of private businesses and personal wealth. Accordingly, the businesses emphasize solidarity and sharing, along with promotion of unity, when cultivating local allies: ‘local populations appreciate what we do and how we contribute to the country’ (executive family member, Benamor, 2015). In fact, the state has recently begun to view community outreach actions suspiciously: ‘some politicians don’t understand why we work so closely with local communities. I think some perceive it negatively’ (family shareholder, Benamor, 2015).

Strategic discretion

Discretion is a fundamental characteristic that we qualify as strategic due to its deliberate and rational nature: ‘we do big things but prefer to stay modest and not to draw attention to ourselves’ (Soummam CEO, 2018). The business executives are mostly discrete and deliberately avoid the media and social scene; this discretion extends to their organization’s operations. Our respondents maintained that the success of private business in postcolonial Algeria sparks two types of reactions. The first is popular suspicion of the sources and legitimacy of success and enrichment, and the second is inquisitorial behavior by state apparatuses, manifested by crippling investigations and controls. The executives prefer to melt into the community, to protect themselves and their activities. They are convinced that doing business discreetly is their sole option.

Some strategic decisions illustrate this behavior: Instead of setting up in a well-equipped industrial zone, Benamor chose to open an outlet in a totally disadvantaged area, out of the public gaze: ‘operating outside Algiers [political decision centre] is evidently simpler and better for all Algerian businesses, including Benamor’ (Benamor CEO, 2017). Cevital chose to fragment its business instead of concentrating its investments in a given sector. Hasnaoui largely stayed within its region. Soummam concentrates nearly all of its investments in the province of Béjaïa although its products are present throughout the nation: ‘we are fine where we are, in this small location where we can be ourselves, well out of others’ view’ (Soummam CEO, 2018). Nonetheless, some of the businesses can exercise discretion more easily than others. Owing to its large size, Cevital is more visible and draws more media coverage than the others. Benamor became slightly more visible starting in 2012: ‘our major work in agricultural development exposed us more since I started leading the business’ (Benamor CEO, 2018).

Interaction with national identity

Similar to proximity with local communities, strategic discretion can also be analyzed as a defensive response influenced by national identity trends that, via a rebound effect, instill suspicion about personal enrichment initiatives. First, the values of solidarity and sharing highlight the collective and encourage simplicity in businesses and their leaders: ‘success is collective and failures are individual, that’s our motto, because mutual aid brought us to where we are today’ (Benamor CEO, 2014). Ostentatious behavior is also rejected by religious traditions, dominant in the Algerian national identity: ‘I tell my children never to forget where we came from. Our traditional values require impeccable modesty because money is only material’ (Soummam CEO, 2018). Further, fear of instability fosters suspicion of private initiatives, generally perceived as a source of disruption. Discretion lets one remain hidden: ‘clearly the more visible you are in Algeria, the more vulnerable you are’ (Hasnaoui CEO, 2015). Thus, strategic discretion explains a focus on the local and the less visible, together with deliberate avoidance of all sources of confrontation with the central authorities: ‘entrepreneurs don’t really have a choice: either they stay small and stay in towns far from public powers, or they engage with the authorities, with the difficulties we know well’ (Benamor CEO, 2017).

Organizational identity as a justification mechanism

Our analysis also suggests that in a context of hostility and marginalization of private enterprise, the organizations studied have gradually developed practices and activities to
justify their existence and contribute to nation-building. The attitude of justification affirms the role of the business in the construction of the country, and hence its economic and social legitimacy.

**Quest for economic legitimacy**

The businesses studied often highlight their excellence and economic achievements as important drivers in the construction of the nation, thus demonstrating their ‘economic utility’ to society and the country. The Hasnaoui CEO said, ‘we need to be good at our work or the rest is useless’ (talk in a seminar in Montréal in September 2016). These organizations feel that their role in national prosperity is little understood by the population or the authorities: ‘we do a lot for the country, but recognition is very limited’ (expert agronomist, Benamor, 2015). Misunderstanding and suspicion create recurrent bureaucratic, political, and administrative stumbling blocks, and even verbal aggression and public speeches that denounce private enterprise and entrepreneurship (Douici, 2019; Ouali, 2018). The Cevital executives frequently mentioned: ‘we are the second national exporter after Sonatrach [state petroleum company] and the first private group…we could do more…’ (top manager 1, Cevital, 2016). Private business is seen as synonymous with economic efficiency; ‘the future of the country will be built by economic actors like Soummam, we still don’t understand why the authorities don’t get this’ (Soummam CEO, 2018). Furthermore, private enterprise is taken for granted in Europe and America but here…we still have to highlight our successes’ (Benamor CEO, 2016).

**Interaction with national identity**

Economic contributions position businesses as important actors in social justice. The organizations studied promote the idea that national social justice requires social and institutional acceptance of myriad individual, organizational, and social initiatives. The companies challenge the idea that private enterprise is anathema to the collective interest: ‘successive governments want to convince people that our success comes at a cost to Algerians, when in fact we are contributing to the well-being of Algerians!’ (Soummam CEO, 2018). In addition, the economy is conveyed as a source of national balance associated with the valorization of stability: ‘the private sector and the state can become good partners’ (Hasnaoui CEO at a seminar in Montréal in September 2016). By underlining the importance of their economic role, the businesses reinforce their legitimacy and protect themselves. They affirm that their organizational and technological know-how helps stabilize the country; ‘if private business became acceptable to all, and the state would concentrate on rules rather than being an economic player, the whole country would win; the state would do what it knows how to do, and our acceptance problems would disappear’ (Soummam CEO, 2018).

**Quest for social legitimacy**

Beyond economic legitimacy, social legitimacy is another vital issue for these businesses: ‘the Algerian business must always justify itself and show that it is doing something positive’ (Soummam CEO, 2018). Recognition by various societal actors of the contribution of private enterprise to social welfare and construction of society is essential. The popular belief that wealth created by private businesses is not necessarily contrary to the collective interest induces hostility that explains the effort to remain legitimate (Hafsi, 2012). The role of private businesses is often the subject of heated ideological debates: ‘in Algeria, you must understand that the spirit of socialism lingers among both the population and the public authorities. The private sector is viewed negatively and we must face this reality’ (administrative and financial director, Benamor, 2015). Thus, ‘creating jobs is not enough, you have to show society that Algeria needs its businesses to develop’ (Benamor CEO, 2014).

The quest for collective growth rather than individual success propels businesses to intensify their contribution to social welfare: ‘each time I get an opportunity to talk with a minister or authorities, I always take it. That way they will consider us as a partner and not an enemy’ (Soummam CEO, 2018). Benamor allotted ample funds to galvanize the industrial tomato and grain sectors. Cevital championed ‘yes we can’, a program that supports students and entrepreneurs’ projects. Hasnaoui hires young entrepreneurs as subcontractors, granting them interest-free credit and contracts to implement diverse projects: ‘I invite all young local entrepreneurs to visit our plants, and tell them they can copy our activities. I never consider them competitors’ (Hasnaoui CEO, 2015). Soummam provides the farmers and pickers in its production chain with logistics and other support. All these actions increase the local popularity of businesses and promote their acceptance by various actors in civil society.

**Interaction with national identity**

The quest for social legitimacy is central to the identity of the businesses studied, and justifies their existence. It can be associated with the values of social justice, aspiration toward unity and valorization of stability. For these organizations, social and institutional acceptance further social justice: ‘what happens to Algerian businesses is unfair, and unfortunately we can’t do much apart from persevering and contributing while hoping for change’ (Top manager 1, Cevital, 2016). Social legitimacy is a means of differentiating the business from institutional dysfunction and positioning it as a pivotal social actor: ‘the public powers perceive us as a threat, although we can be an ally to help the state function better’ (Soummam CEO, 2018). The businesses studied were thus convinced that broader social
acceptance of private entrepreneurship could let them pursue their fight for unity and stability: ‘we must demonstrate our social utility to the population and the authorities…this helps us show that in unity there is strength’ (Top manager 1, Soummam, 2015). These businesses tried to reduce antagonism by bridging private and public entrepreneurship, individual and collective interests, and socialism and capitalism.

Organizational identity as an adaptation mechanism
The third mechanism that explains the interaction between national and organizational identity is a form of adaptation and positive projection manifested by the expression of two characteristics of organizational identity: the will to build society and dynamic resilience.

Construction of society
Our empirical analysis shows that the situation in Algeria leads the businesses studied to want to take a fairly active role in the socioeconomic development of the country, to seek not potential profits but rather what is useful for society; ‘the state is in trouble and we must help…it’s not easy, but I think we must do it’ (Administrative and financial director, Benamor, 2015). Soummam clearly expressed this position: ‘all the top managers of public authorities know that our dairy company would not pass up an opportunity to give back to its country. The business is at the country’s service’ (Soummam CEO, 2018). Hasnaoui supports young entrepreneurs to create a beneficial ecosystem for all, notably in large-scale projects: ‘our only competitors are foreign firms, otherwise our plants are open to all young Algerians who want to contribute to the construction industry’ (Hasnaoui CEO, 2016). The Cevital founder repeated: ‘we never stopped investing in Algeria…because Algeria is a large country…and as a patriot it’s my duty to create jobs and wealth for my country…’ (Appearance by Cevital CEO on Algerian national television program El Chourouk, November 8, 2018). Benamor strives to support the development of local agriculture, whereas Soummam assists all actors in the dairy cluster: ‘we are convinced that we also have a development role to play…’ (Soummam CEO, 2018).

Interaction with national identity
The four businesses studied view their rationale as predominantly related to their contribution to building the country and its future. Evidently, this organizational identity value interacts with the pillars of national identity. The Soummam founder told an anecdote to emphasize the importance of helping the country achieve national unity and stability: ‘[m]y grandmother told me that people who contribute to constructing the country are princes among men’ (CEO Soummam, 2018). By putting construction of society at the heart of their mission and rationale, Algerian businesses goad the state and urge it to adopt more pragmatic approaches and practices: ‘it’s easy to drop everything and leave, but we must build and arrange things, even if it’s hard’ (Manager, member of owning family, Benamor, 2016). As described above, Algerian businesses often reciprocate generously toward society. They consider their role in society as a cornerstone of their identity: ‘it is ironic that those who contribute [private sector] are stymied all year long, while we just want to help the country…’ (Soummam CEO, 2018). For these businesses, social justice, national unity, and stability are achieved through solidarity and sharing intended to foster construction of society, an essential identity pillar.

Dynamic resilience
Dynamic resilience refers to the capacity of the organizations studied to adapt to typically hostile institutions. They remain optimistic and confident despite the obstacles they face. ‘You have to persevere and be optimistic in Algeria or you will quickly become frustrated and discouraged’ (Benamor CEO, 2015). The executives pointed out that political and administrative stumbling blocks hinder their ability to contribute economically and socially: ‘Algeria would be a power if it let its businesses work’ (Top manager 2, Cevital, 2013). Dynamic resilience, central to the identity of these organizations, evokes potential achievements: ‘we believe in the future of this country, it’s what motivates us day and night. Money is not a motivating factor; believe me’ (Soummam CEO, 2018).

To adapt, the first strategy is psychological: accepting challenges as inevitable and not being afraid to lose. Cevital abandoned its efforts in the steel industry due to terrorism and bureaucratic hurdles: ‘you have to know how to advance in Algeria or obstacles will force you to stop everything’ (Top manager 1, Cevital, 2016). Resilience also entails preventive actions. Benamor developed privileged ties with local authorities, sometimes accepting substantial compromises: ‘it was very difficult to work with the public [sector], but we told ourselves that it would be useful to change things’ (Benamor CEO, 2018). Soummam endeavored to reduce the firm’s dependence on imports and hence on the related bureaucratic rules. For Hasnaoui ‘[i]nvestment in Algeria is not easy, but you have to always persist and believe in it, or everyone would give up’ (Hasnaoui CEO, 2015).

Interaction with national identity
Our analysis clearly suggests that a form of resilience, central to the identity of the businesses studied, enables them to survive in a harsh institutional environment. Thus, aspiration toward unity and valorization of institutional stability,
two fundamental trends related to national identity, favor the dynamic resilience of the businesses. Entrepreneurship in a context marked by economic, social, and political disorder requires resistance to adversity, exemplified by unwavering optimism with constant and relentless search for adaptation solutions. At the national level, businesses choose to persevere rather than succumb: ‘it would be easy for us to invest elsewhere, but it’s in Algeria that we want to create wealth’ (Cevital CEO, 2018). The Benamor CEO said, ‘if everyone gave up, the bureaucratic philosophy of the state would win. If we resist, we can hope for change’ (Benamor CEO, 2015). This view is consistent with the history of the country, its challenges and aspirations: ‘those who liberated Algeria could have surrendered, but they didn’t. How would we have the right to abandon our goals?’ (Soummam CEO, 2018). The businesses studied are seizing the opportunity of the ongoing national identity clarification process to carve out a safe place for private enterprise: ‘[b]y being serious and persevering we can change the image of businesses’ (Hasnaoui CEO, 2017). Dynamic resilience is thus instrumental to this contribution and fosters perseverance in a cognitive institutional change process, which is a lengthy exercise.

**Contributions and discussion**

This article explores how national identity influences the formation of organizational identity. The identity of the businesses examined rests on the core characteristics and values of the national identity, which is also being constructed. Our study proposed six fundamental identity characteristics of Algerian businesses: proximity with the community, quest for economic legitimacy, quest for social legitimacy, will to construct society, strategic discretion, and dynamic resilience. Without attempting to establish causal relations, we contend that these characteristics are influenced by national identity traits: social justice, solidarity and sharing, rejection of division and disorder; and aspiration toward unity and stability (notably institutional). We have proposed three mechanisms, that is, protection, justification, and adaptation, to explain this interaction. These mechanisms respond to the institutional complexity that results from national identity trends. They are presented in the process model in Figure 2, which we discuss relative to the three main contributions of this study to the organizational identity literature.

**Three mechanisms underlying the influence of national identity on organizational identity**

Glenn and Watkiss (2012) specified six cultural mechanisms that organizations can mobilize to achieve recognition and acceptance. In their words, ‘social fitness’ is an important motivation for organizations to employ these mechanisms, to favor their ‘comprehensibility and acceptance’ (Glenn & Watkiss, 2012, p. 78). The authors argue that organizations increase their acceptance and legitimacy when they align their identity with the values, norms, and cultures of their societal audiences. Clegg et al. (2007, p. 509) asserted that organizations adjust their identity to ‘facilitate legitimacy formation’. Gioia et al. (2010) argued that organizations adapt their identity in order to develop internal guides to orient strategic action and daily practices. Our study calls into question the premises of the first two studies and corroborates that of the third. We thus show how organizational identity adopts the characteristics and values of national identity for reasons that transcend the strategic interests of the organizations (Fox-Wolfgramm, Boal, & Hunt, 1998; Glenn & Watkiss, 2012).

The businesses studied absorb national identity characteristics through three mechanisms that may be specific to the turbulent and complex nature of their institutional context. Our study extends the work of Glenn and Watkiss (2012) by showing that the organizations studied do not merely submit to national identity, but also seek to influence it through an adaptation mechanism. Interaction between the two levels of identity is more dynamic than the scant studies would suggest (Ailon-Souday & Kunda, 2003; Glenn & Watkiss, 2012; Jack & Lorbiecki, 2007).

First, the organization develops identity characteristics that mirror those of the national identity as a form of protection. This defensive mechanism constitutes ‘identity work’ intended to ensure the continuity of the organization (Leung et al., 2014; Snow & McAdam, 2000). It is notably illustrated by proximity with the local community, which is not only an activity of social responsibility but also an important means for organizations to develop local allies in order to shield themselves from pressure by public authorities. The defensive mechanism also entails strategic choices intended to protect these organizations from their unpredictable institutional environment.

The justification mechanism attempts to reconcile the organizational identity pillars with the national identity. Actors thus seek to legitimize the fundamental values of their identity by demonstrating that they are consistent with the salient national identity characteristics. The justification mechanism is expressed in the quest for both economic and social legitimacy in an institutional context that has historically rejected free enterprise and personal enrichment. Lastly, the adaptation mechanism leads organizations to attempt to reduce the gap between their values and those of national identity, notably by extending organizational values to the national level. We have shown that the businesses studied seek to portray free enterprise and entrepreneurship as key elements of the Algerian national identity. Building society while developing their adaptation capacity (dynamic resilience) also lets the businesses influence national identity in favor of organizational values. Therefore, the adaptation mechanism seeks to mitigate...
antagonism and institutional pressures on businesses by reduc-
ing institutional complexity and conflicting approaches (McPherson & Sauder, 2013; Ramus et al., 2017). Institutional complexity, in turn, is manifested in incompatible institutional demands and requirements issuing from actors that favor diverging approaches (Greenwood et al., 2011; Micelotta et al., 2017). Organizational identity then becomes an interpreter of institutional logics. It is influenced by these logics, and, conversely, the repertoire of organizational responses can influence this institutional complexity. Organizational identity thus represents a strategic compromise between what the organization wants to convey and the institutional demands and requirements arising from its environment (Greenwood et al., 2011). The adaptation mechanism therefore suggests that organizational identity not only receives pressures from the environment, but can also influence it, building on the findings of Glynn and Watkiss (2012).

Organizational identity as social affirmation in response to national identity

Our study shows how organizational identity can be a social affirmation response that businesses use to highlight their social status. It thus questions the postulate of Glynn and Watkiss (2012) that organizational identity adjustment with societal values is a strategic choice to enhance legitimacy and social acceptance. This deterministic and instrumental vision of the interaction between national and organizational identity is nonetheless partial. We do not question the importance of coherence between organizational and societal values. Instead, we argue that the mirror effect of national identity characteristics on organizational identity does not result from selective adaptation for legitimation reasons alone, but rather from affirmation of organizational identity.

In his pioneering work on the institutionalization process, Selznick (1957, p. 17) maintained that organizations are infused ‘with values beyond the technical requirements of the task at hand’. He argued that the sustainability of an organization rests on its capacity to integrate values, norms, and ideals that are aligned with societal needs and expectations (Albert & Whetten, 1985; Glynn & Watkiss, 2012). We have adopted this process and social construction vision of organizational identity that posits a dynamic relationship between national and organizational identity. In contrast with Glynn and Watkiss (2012), we found that the organizations studied adopt national identity values in order to overcome their fragility by achieving dynamic anchoring within society, by sharing societal aspirations, and by actively contributing to their realization.

Organizations thus innovate to propose solutions that rally all the actors around a common goal. They thus lead institutions toward a shared construction approach that positions these enterprises as contributors to the reinforcement of national identity. Institutional turbulence then becomes an engine that unifies societal actors’ energies and pools their efforts to construct the country. Aware of its fragility in a dynamic yet turbulent environment, the business must concomitantly submit (protection mechanism), reconcile (justification mechanism), and innovate (adaptation mechanism) to survive. Our study nonetheless corroborates that of Glynn and Watkiss (2012) in that the quest for legitimacy can also be an influence mechanism between the two levels of identity, although this influence can have a broader scope.

Importance of context in organizational identity formation

In a systematic review of the identity literature, Gioia et al. (2013, p. 183) argued that it would be important ‘to broaden and deepen an understanding of the role played by diverse contexts on organizational identity formation’. This study has indeed shed light on the influence of national context – particularly its values and identity – on the development of organizational identity. In an exploratory approach, we have shown how religion, traditions, customs, the effects of the war of independence and the civil war, and the traces of socialism are all variables that jointly influence the functioning of society and the organizations therein. We proposed a multilevel understanding of organizational identity, an underexplored perspective despite the pioneering work of Ashforth et al. (2011). This multilevel approach demonstrates that the way the actors define ‘who they are as Algerians’ influences their interpretation of the values that underlie their organizational identity. This phenomenon is consistent with the role of collective memory in maintaining organizational identity (Antebay & Molnár, 2012; Ravasi et al., 2019).

Further, research on identity has largely concentrated on mature and stable institutional fields, mainly in the West (Gioia et al., 2013; Kroezen & Heugens, 2012; Ravasi & Phillips, 2011). Our study of organizational identity in an emerging, dynamic field enriches the literature. In such contexts, organizational identity is more likely to be influenced by and interact with national identity. Generally, situations in which legacy and nested identities figure prominently, as well as institutionally complex settings (e.g., conflicting logics and institutional pluralism), have received scant attention in the literature (Gioia et al., 2013, p. 183).

Mature fields are defined as well-structured configurations of actors aware of their involvement in the field, who engage in recognizable patterns of interaction with other members of the field (DiMaggio & Powell, 1983). In contrast, emerging fields are less structured and more unstable, with few coordinated actions among the members (Hardy, 1994). Emerging fields – often turbulent – do not set clear norms for legitimate
behavior, and ‘perceptions of legitimacy among stakeholders can diverge and conflict’ (Maguire et al., 2004, p. 673). If norms and practices tend to be broadly diffused and approved by actors in mature fields, they are weakly entrenched [ones] are more likely to characterize emerging fields’ (Maguire et al., 2004, p. 659, citing Lawrence et al., 2002). These considerations imply that interaction of national and organizational identity can be more closely related and more intimate in an emerging context where firms may want to play a more active role in establishing common norms. Our empirical findings point in this direction. The study shows how organizational identity adapts to the evolution of national identity. It thus provides insight into the evolving nature of organizational identity in response to contextual changes (Plowman et al., 2007).

Furthermore, our study highlights the merits of challenging and updating existing theory through revelatory, that is, hitherto unexplored, empirical contexts (Yin, 2003). As George et al. (2016) asserted, ‘Africa is an empirical context whose characteristics clearly distinguish it from the West: magnitude of institutional gaps, democracies under construction, institutional complexity and instability, and faulty governance, among others. These characteristics evidently influence actors’ behavior and, combined with historical disadvantages linked to decolonization movements, provide scholars with an opportunity to study rare phenomena. In western countries, for example, identity construction dates back to centuries or longer; national unity traits are consequently much less salient. In contrast, in young nations such as most African countries, identity trends are much more pronounced, which favors studies such as ours. We have taken up the call of George et al. (2016, p. 379): “[a]s management scholarship expands its geographical interest from Western and Eastern developed economies to the rest of the world, it is time to bring Africa into our mainstream research and theories’.

Conclusion

Identity formation is an interesting and important social phenomenon that affects individuals, organizations, and societies. This article presented an exploratory qualitative study of four cases, the first study of its kind to our knowledge, that demonstrated that organizational and national identities are tightly interwoven. Our main premise is that organizations internalize some values of national identity that shape their organizational identity and hence the way they define themselves.

Nonetheless our research has limitations. For one, we examined specific cases in a particular context. The organizations studied are fairly young, family-run, and mainly serve the Algerian market. The familial character of these organizations may predispose them to be more engaged in society, a characteristic common to the four cases (Hafsi & Turgut, 2013; Nason, Bacq, & Gras, 2018; Zelweger et al., 2013). Furthermore, the ‘local’ characteristic of these organizations increases the likelihood of their following a single value system, and therefore minimizes potential sources of influence. The choice of context is also particular in that the Algerian national identity is also undergoing dynamic reconstruction owing to the recent history of the country (Djilali, 2017). However, this observation is true of all forms of identity, given the perpetual nature of the social construction process (David & Mackey, 2002; Gioia & Thomas, 1996). Nonetheless, institutional, social, and political turbulence in Algeria (linked to decolonization, national language, national religion, and ideological orientation of the economy and governance) has accentuated this phenomenon (e.g., Martinez & Boserup, 2016; McDougall, 2017). Indeed, emerging societies may be characterized by closer interaction between the evolution of national identity and that of businesses, contrary to more mature and stable societies. Our methodological choice to examine identity in a particularly dynamic society enabled us to highlight the influence of national identity.

Two intriguing research avenues at the juncture of national and organizational identity emerge from our study. First, it is worth exploring the influence of national identity on organizational identity in detail by comparing cases based on at least three variables: (1) organizations at various levels of maturity; (2) societies at different stages of institutional development; and (3) both local and multinational organizations, exposed to several value systems. Second, although we considered identity as a social dynamic construction, we were mainly interested in the influence of national identity on the organizational identity formation process. This stance evidently underestimates the inverse influence, namely, that of organizational identity on national identity. Indeed, the consequential historical works of Chandler (1962, 1977) show how American businesses helped shape the institutional construction of the country and hence influenced American national identity and engendered the managerial model. In our context, the changing and important role of the private sector is guiding the evolution of the Algerian identity. These premises would be worth studying more extensively through variance or process approaches (Langley, 2007; Langley et al., 2013).

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**Appendices 1–4**