

# Forget the Past? Or History Matters?

## Selected Academic Perspectives on the Strategic Value of Organizational Pasts

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### ABSTRACT

Corporate archives are rarely considered strategic by their parent organizations, and their funding levels tend to reflect that lower priority status. This article suggests that corporate archivists could benefit from looking outside the profession for insights on how to build more compelling statements of their strategic value. To illustrate the potential utility of this cross-disciplinary approach, more than eighty articles from academic journals were reviewed for examples of strategic value derived from the business use of organizational pasts. Two examples of the application of organizational pasts to strategic business activities drawn from this literature are highlighted—organizational change and corporate identity mix.

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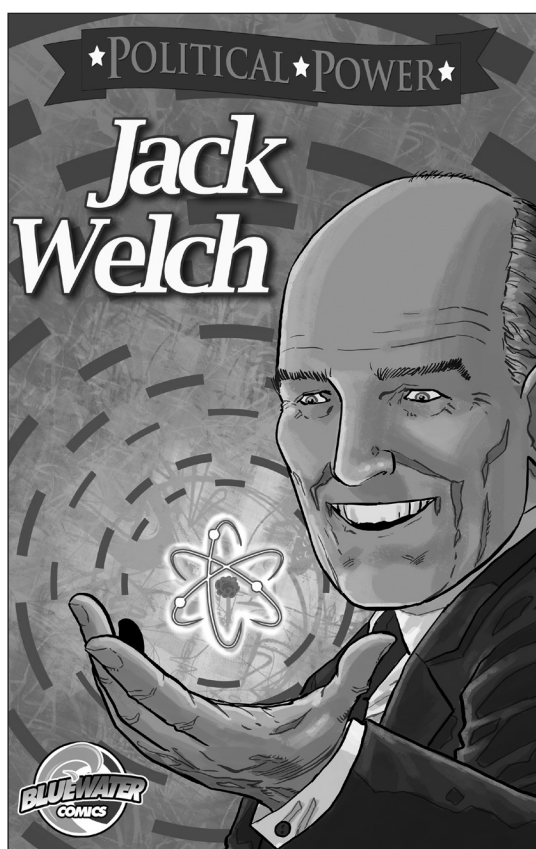


### KEY WORDS

Advocacy, Business Archives and Corporate Records,  
Management, Writings about Archives

A corporate asset is perceived to be strategic when it contributes to the creation of competitive advantage. Many corporations believe that a corporate archives adds value, but measuring and quantifying that value empirically has been difficult, because the nature of the function's contributions to a corporation tends to be intangible. The placement of a tangible dollar value on the archival role in such business-critical activities as providing background information for management decision making, facilitating a new product rollout by placing it in historic brand context, reinforcing cultural values with historical proof points, or strengthening employee ties to a firm by celebrating a storied organizational past has been to date largely guesswork. As a result, corporate executives may not fully grasp the strategic value that a corporate archives holds, let alone recognize its strategic potential.

This nonstrategic executive perception is a significant exposure for corporate archives, for strong ahistorical tendencies exist in the modern corporation. These tendencies are aptly and pithily illustrated by a maxim from General Electric's legendary CEO, Jack Welch: "Forget the Past, Love the Future."<sup>1</sup> Welch, one of the world's most influential CEOs in the 1980s and 1990s, was renowned for his cost-cutting measures. In his early days as GE's CEO, he dismissed 100,000 employees.<sup>2</sup> So drastic were these layoffs that pundits referred to Welch as "Neutron Jack," given the resemblance between his restructuring of GE and the results of a neutron bomb explosion—both eliminated people while leaving



**FIGURE 1.** Widely celebrated as an iconic American businessman, former General Electric CEO Jack Welch can also be considered a nightmarish figure for corporate archivists. Tabbed with the sobriquet "Neutron Jack" by pundits for his penchant for eliminating jobs while leaving the buildings intact, Welch typifies the kind of finance-driven corporate management that presents challenges to corporate archivists trying to preserve their function in the face of budget reductions. Image courtesy of Blue Water Productions.

buildings untouched. Welch's maxim, with its resounding denial of the value in a corporate past, demonstrates the type of executive attitude that places corporate archives at risk. Welch was a bottom-line-focused executive who based his decisions on results. He was not swayed by arguments based on intuited, unquantified, value statements of the kind in which the traditional business case for corporate archives has historically been grounded.

Welch was not alone in this regard. A 1989 article in a leading business journal advocated slashing corporate centers—where corporate archives are generally organizationally aligned—as a major source of value creation. The article noted that the corporate centers of Fortune 25 firms constituted almost one-fifth of the firms' total market value of debt and equity, and were as much as six times more expensive than investing the same funding into mutual funds. The piece cited the 1986 restructuring of an American conglomerate's corporate center by a British turnaround specialist which reduced the center by 90 percent—creating significant bottom-line benefits—as an example of what happens when financial rigor is applied to nonstrategic functions. “This does not necessarily mean,” the author stated, “that corporate centers are just wasting money; they may well be involved in very important, value-adding activities. The point is that, at costs this high, they had better be doing just that.”<sup>3</sup>

Under the pressure of this intense financial scrutiny, corporate centers wilted, and corporate archives with them. When budgetary push came to shove, significant archives programs closed or suffered crippling budget cuts at struggling companies like Texas Instruments, United Technologies, Control Data, Unisys, Sporting News, J.C. Penney, Aetna, IBM, and Target. Unlike archives in governments, universities, or historical societies, where an archives' mission is an intrinsic part of the larger organizational mission, corporate archives are discretionary investments—they have no institutional mandate guaranteeing their existence.

It is clear that the first and never-ending challenge for a corporate archives is justifying its existence by proving that it adds more value than it costs. What corporate archives need, but so far lack, is a compelling, irrefutable, replicable statement of business value capable of convincing the Neutron Jacks of the world that an archives is a strategic rather than discretionary function—a “must have” rather than a “nice to have.”

## In Search of . . .

Practitioners of corporate history know in their hearts that this business case should exist, and, seemingly contrary to Welch's clarion call to forget, practical reality seems to support that intuition. A 2009 study of corporate history content showed that out of eighty-six company Web pages reviewed, only

five lacked a section providing historical content. So there is a broad corporate consensus that organizational history is important enough to be publicly referenced. However, the primary takeaway from this analysis was that external use of history by most firms tends to be quite limited, forming an obligatory component of an “about us” section of the website that answers frequently asked questions: when did a company start, who were its iconic leaders, and so on.<sup>4</sup> This is a relatively low value use of a company’s history, one that adds value by providing quick answers for website visitors but on the whole fails to create competitive advantage.

A stronger argument for the strategic value of history is found in 2012 *Harvard Business Review* article by John T. Seaman Jr. and George David Smith.<sup>5</sup> This article provided several compelling recent examples of how businesses have used their pasts to great effect. The authors used anecdotal evidence to illustrate intangible value derived from the application of history in such strategically significant initiatives as smoothing cultural transitions, or understanding and informing decision-making processes. However, like other writings on the strategic value of business history dating from the 1930s to the 1990s, the article fails to demonstrate quantifiable returns on investment in corporate history. As such, its hypothesis that a company’s history is strategically important rests largely on important but statistically unproven and possibly irreplicable assertions. In a cut-throat corporate environment, a business case built on assertions of potential value based upon anecdotal evidence will not sway a hard-charging executive with a laser focus on reducing costs and improving financial results.

It may be time to conclude that a compelling business justification for corporate archives capable of making Neutron Jack change his mind will not come from professional historians and archivists.<sup>6</sup> These practitioners know organizational and business history, but they lack an understanding of the strategic motivations of senior executives. This inability to speak the language of funding managers is not a new issue for the broader archives profession, corporate and institutional archivists alike. A 1984 research report prepared for the Society of American Archivists noted that resource allocators usually deem archives departments nonstrategic and that archivists fail to communicate effectively with resource allocators. The report consequently concluded that archives are poorly positioned to compete in annual funding battles with departments that are able to demonstrate greater strategic contributions.<sup>7</sup>

In the three decades since this report was issued, corporate history practitioners have become better at speaking the language of business.<sup>8</sup> But they are not yet fluent enough in this language to build that elusive, irrefutable value statement. There are, however, two groups of people who do speak fluent business—business people themselves and business academics.

Of the two, it is unlikely that corporate archivists will find much help from business people. Since few business folk write about their experiences, and fewer still will provide much insight on the use of history in their organizations, there is little formally captured knowledge from which corporate history practitioners can derive insights.<sup>9</sup>

Business academics, however, offer more promise for several reasons. First, they research and write frequently, driven by academia's publish-or-perish dictate. Second, they tend to search for universal truths, which can be made relevant beyond the specific case study or statistics they are analyzing. Third, they research and write in depth, which can provide both lessons for and new perspectives on the work of corporate history practitioners.<sup>10</sup> And, most important, they are writing in the language of business for a nonarchival audience.

It seems plausible then, that a review of the business literature for what has been written about the application and business value of older information in organizations could prove of some value for corporate archivists.<sup>11</sup> With that in mind, more than eighty academic articles from a range of business-related disciplines—organization theory, organizational management, change management, marketing, communications, business ethics, organizational memory studies, institutional theory, administrative science, political culture, economics, and sociology, to name a few—were reviewed for this article.<sup>12</sup>

For the purpose of this review, these studies share a fresh perspective on the work of corporate history practitioners. Collectively, they frame the application of and value in organizational pasts in the very language in which business consultants make their pitches. This characteristic makes them very useful for practitioners looking to create a convincing business justification for corporate archives.

## History Matters? Path Dependence

There are many schools of thought in the writings of business scholars. For the purpose of analyzing the use of organizational pasts, however, this article will focus on just two of them—path dependence and the critics of path dependence.<sup>13</sup>

That there is any strategic value at all in an organizational past has only been recently recognized in business academic literature. Prior to 1980, twentieth-century scholars largely ignored the role of organizational history in the modern corporation.<sup>14</sup> Then, around 1980, several economists introduced historicity as a viable explanation for the evolution of firms and industries.<sup>15</sup> Several other academics revived cumulative causation, a theory from Progressive-era economist and social critic Thorstein Veblen. Veblen's economic concept states that both external circumstances and individual actions are part of a continual,

cumulative, and evolutionary process of change.<sup>16</sup> The resulting theory based on the work of Veblen and those 1980s economists has since evolved into what is now known as the “path dependence” school of thought.

The concept of *path dependence* is founded upon the notion that “history matters,” referring to the fact that an understanding of the past is important to any understanding of the present. In this concept, historical factors can set directions and shape conditions that have long-term influence over firms, technologies, markets, industries, and even nations.

A much-cited example of this in the literature is a study of the QWERTY keyboard, which was initially designed to minimize the jamming of keys on manual typewriters and has remained a standard keyboard alignment for more than a century. QWERTY’s status as a standard has enabled it to fend off challenges from alternative, potentially superior keyboard alignments, even in today’s digital era long after its original typewriter-based *raison d’être* disappeared.<sup>17</sup> Another technology case in point was the battle between VHS and Betamax video formats in the 1970s and 1980s. Allegedly, VHS won that battle not because it is a superior technology, but because a fortuitous tape licensing strategy produced a plethora of cheaper blank tapes that drove VHS deck purchases and led to market dominance.<sup>18</sup>

The concept of path dependence was quickly accepted in other academic fields of study. Scholars from sociology, history, economics, and management found the theory a useful lens through which to view organizational, institutional, technological, and industrial evolution. Collectively, this body of literature emphasizes the predeterminant and lasting role that external circumstances, internal capabilities, and strategic decisions have in shaping and setting evolutionary directions.<sup>19</sup>

It is ironic, then, that given their “history matters” orientation, path-dependence theorists portray organizational history as a negative. Path-dependence theorists describe competitive advantage as a set of unique, at times accidental, historical circumstances or decisions that conferred commercial advantage on a firm, such as favored access to raw materials or transportation, a uniquely talented inventor or leader, and so on. In this deterministic concept, the influences on and actions of entities over time have a narrowing effect that increasingly reduce the pool of choices available to an organization, where “Early choices about products, markets, and modes of operation are locked in through decisions about asset configuration and organization structure, constraining future options.”<sup>20</sup> To wit, how many of us continued to invest in VHS technology long after the introduction of DVDs?

This narrowing proceeds to the point where a firm is locked into a counterproductive and irreversible path that limits its strategic options and creates a rigid, inflexible culture that is adverse to change. Key to this process are the

existence of increasing returns (e.g., buying movies on VHS were cheaper than buying DVDs) and positive feedback (acquiring a favorite movie *and* saving money). Both of these factors in the short-term reinforce the perception that these strategic decisions are correct and successful, but over the long term constrain the organization (boxes of VHS tapes that no longer have any value).<sup>21</sup> One study in summarizing this body of research noted, “Even in highly successful firms, the strategic lessons drawn from their past were largely demonstrations of ‘path dependency’—that a firm succeeded because it had unique and non-replicable advantages.”<sup>22</sup>

For proponents of this school of thought, the history of business success is primarily useful for explaining how a firm evolved into its current incarnation, but has little or no ongoing strategic value. A firm’s history is not a manageable, flexible, or even relevant resource, for it “will be very difficult, if not impossible, to imitate.”<sup>23</sup> For path-dependence theorists, the lessons of the past are irreproducible, and therefore they are irrelevant to the present and future. In this light, history can be seen as a competitive disadvantage, with negative internal cultural impacts. Instead of seeing history as an asset, they believe that stubborn loyalty to a successful corporate past can bind a firm by increasingly limiting its future strategic options, making it harder to break free in new directions. This results in core competencies becoming core rigidities, generating an “organizational sunk cost” that limits options, closes minds to new approaches, and creates a corporate culture ossified by traditions, routines, and processes.<sup>24</sup>

The implications of this path-dependence school of thought for corporate archives are disturbing.<sup>25</sup> For decades, corporate history practitioners have been battling to strategically position their content (and themselves by extension) as valuable corporate assets. But, at the same time, to the extent that path-dependence theories have been integrated into business school curricula—and anecdotal evidence suggests that they have—generations of MBAs have been taught that organizational pasts not only have little ongoing strategic value, but that they are actually a negative.<sup>26</sup> And these graduates are the same people who are running companies today.

## A Historic Turn: The Critics

Fortunately for practitioners of corporate history, there is an alternative and growing body of literature critical of the determinism of path-dependence theories, hereafter collectively referred to as the critics.<sup>27</sup> It is somewhat of a misnomer to label the critics as a coherent school of thought, as their writings do not reflect a singular theory or topic. But they are united by their criticism of path dependence’s rejection of the ongoing institutional relevance of



an organization's past. For the purposes of this article, their writings can be thematically grouped together as a single perspective.

Based upon closer review of how organizations use history, several of the critics noted that the portrayal of corporate history as a source of rigidity and resistance to change in both strategic management and organizational theory stands in sharp contrast to "the way corporations are using history in practice."<sup>28</sup> These studies recognized that while the facts of organizational histories cannot be altered, they can in fact be known only through interpretation, a perspective that opens up a "dynamic view of organizational history and questions the determinism of historical trajectories." Several authors concluded that "Traditional strategic management research has not yet fully explored the mechanisms by which history can be used to gain competitive advantage."<sup>29</sup>

To be sure, the writings of the critics are not yet a fully formed answer to results-driven executives like Neutron Jack. The reality is that these academics, like corporate archivists and business historians before them, fall short of assigning quantifiable values to corporate intangibles. For example, one study indicated that little empirical evidence exists to demonstrate financial value for intangible concepts like corporate reputations and that it is too early to make robust estimates of the dollar value that can be attributed to a corporate reputation.<sup>30</sup>

Still, researchers are getting closer to identifying tangible value statements. One study concluded that "As a competitive advantage, the heritage of a brand can result in the willingness to accept higher prices and higher consumer loyalty."<sup>31</sup> A 2013 study demonstrated a measurable connection between the raised awareness generated by corporate tweets and the market liquidity of the stock of smaller, less visible companies.<sup>32</sup> A 2013 article on social media, one of the more metric-driven disciplines, indicated that corporate heritage is successfully driving increases in user engagement.<sup>33</sup> Several other authors noted that heritage content can be a powerful tool for influencing and motivating internal and external stakeholders.<sup>34</sup> Another study indicated a general empirical relationship between good reputations and better-than-average financial performance.<sup>35</sup> And a 2012 survey by the business consulting firm of Weber Shandwick of 575 senior executives in the United States, United Kingdom, China, and Brazil found that the executives estimated that on average 60 percent of their firms' market value was attributable to reputation, and that 86 percent of those surveyed have made efforts to improve their firms' reputations over the past five years.<sup>36</sup>

For corporate history practitioners, the chief takeaway from this literature is that while there are as yet no financial measurement tools to quantify the value of the contribution an organization's past can make, researchers are moving closer to that goal. Until then, practitioners can draw comfort in that the body of work by the critics does reflect a deep-seated belief in the



strategic importance of an organization's past. In their eyes, any contributions an archives can make to the use of history in an organization is of significance and value.

Among the major themes that can be culled from the writings of the critics, there is little that business history practitioners will not recognize. However, breaking new ground is not the issue here; finding new, compelling ways to frame arguments that corporate archives have strategic value is. Corporate archivists have always known that their function adds value, but the language of archives is not suited to demonstrating that archives are strategic to their firms. Instead, corporate archivists need to frame their business cases in terms executives care about. And what kinds of things do executives care about? They care about highly strategic concepts like organizational change and corporate identity mix.

### The History/Heritage Dichotomy

Before addressing the contributions that organizational pasts make to the strategic business concepts of organizational change and corporate identity mix, it is critical to touch first on the important difference between history and heritage. This is not a new or unfamiliar dichotomy to corporate history practitioners, as it has been a recognized if peripheral facet of archival literature for decades and has even served as a point of philosophical dispute for critics of corporate archives.<sup>37</sup> However, it is important to clarify this distinction, because understanding this history/heritage dichotomy is essential to understanding how business academics perceive history to be best used in corporations.

*History* in this context is the collective body of immutable, objective facts that reside in the documentation that archivists collect. It is true that archivists exert some subjectivity in what they decide to accession and deaccession, but, for the most part, this aspires to be an objective process. The same element of subjectivity holds for historians, as most historical writing reflects interpretive biases, rooted by the historian's agenda or personal worldview and perhaps reflecting the ethos of the period as well. Nonetheless, in its purest, most aspirational form, historical writing aims for objectivity.<sup>38</sup>

However, for most of the critics cited here, this aspiration stands as a limited view of history. "History is not an objective 'master narrative' but, rather, is a curious mix of objective and subjective reality."<sup>39</sup> For these scholars, there is an important difference between historical facts and the *use* of those facts.

To distinguish between these two notions, some academics have used the term *heritage* to describe the applied use of history. Heritage is a thematic, interpretive story, a data subset subjectively selected from a larger pool of historical facts. It is fully grounded in these historical facts, to provide appropriate

and accurate historical context. It is artfully curated, to make history more accessible by creating thematic clarity. It is purposeful and targeted, deliberately crafted to inform and influence key constituents in support of an organizational agenda.

Necessarily, heritage is adaptive. If an organization changes its strategic messaging, its heritage can also be changed to reflect that shift merely by shifting thematic emphasis from one subset of its historical facts to another.<sup>40</sup> Heritage's supra-historic thematic flexibility allows it to be perpetually relevant—making it “meaningful for all times.”<sup>41</sup>

Some scholars see this subjective application of history as artifice, or even fabrication. One referred to it as a “packaged past,” which, in “emphasizing the strategic context in presenting history . . . is at best half-true because the story is selectively constructed and it is not primarily aimed at presenting ‘facts’ but at using it to persuade and convince audiences.”<sup>42</sup>

However, while the pragmatic use of heritage by organizations may be viewed cynically by some, such criticism does not detract from the legitimacy and even organizational necessity of this contextually accurate application of history. Several studies demonstrated that a society's relationship to the past—whether remembered (history) or constructed (heritage)—is neither static nor unnatural. It is instead part of the human and organizational condition, subject to ongoing and perpetual constraint and renegotiation.<sup>43</sup> In this sense, shifts in interpretations and applications of the past for organizations as well as societies are both a natural and inevitable result of changing sociopolitical climates.<sup>44</sup>

## Heritage and Organizational Change

The critics believe this distinction between history and heritage is central to the contribution an organization's past can make to both organizational change and corporate image. In both cases, heritage is portrayed as an active tool in the hands of skillful managers trying to influence key internal and external stakeholders, rather than a passive, immutable constraint on strategic options. “History is not necessarily a source of organizational inertia,” wrote one scholar, for “history as organizational members perceive it is not fixed.”<sup>45</sup>

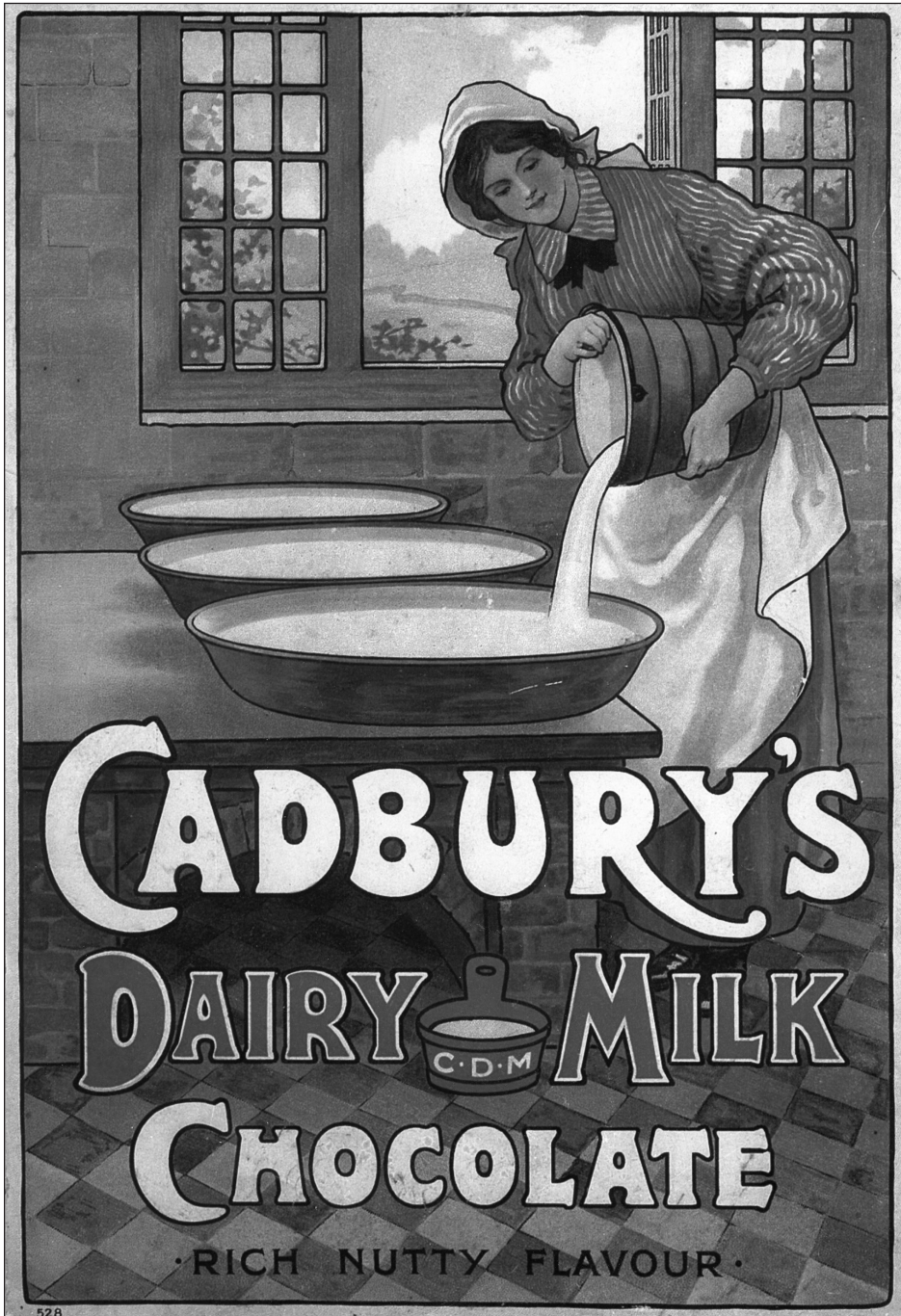
Organizational change is inherently stressful to stakeholders such as employees and investors. But through the skillful use of heritage, change can be deliberately framed in ways that minimize angst for these key constituencies. Numerous scholars noted the institutional importance of having a set of stories grounded in their histories to justify their existence and guide their practices.<sup>46</sup> Others demonstrated how heritage can be used to convincingly support a strategic change, or demonstrate the legitimacy of a new business direction, through the mining of an organization's past for historical antecedents that

demonstrate continuity and cultural permission.<sup>47</sup> By crafting authentic allusions that demonstrate that current change has plausible ties to past behaviors and actions, management can minimize the perception of the magnitude of that change and facilitate its acceptance by key constituencies.<sup>48</sup> Necessarily, this involves the crafting of subjective heritage stories “as influential discursive resources for crafting a meaningful account of new claims and resolving possible divergences of interpretations about core and distinctive features.”<sup>49</sup>

A number of studies showed how organizations use heritage in a structured, collective interpretation to attach meaning to events and infuse value into organizational processes and outcomes.<sup>50</sup> One study of Cadbury candies indicated how, at three distinct points in its existence, the firm deliberately changed the emphasis of its heritage story to create competitive advantage by better meeting contemporary business needs. Over the course of decades, Cadbury used its past to create, first, a sense of origin and culture, then a sense of moral legitimacy based on purported Quaker roots, and still later a sense of competitive differentiation to better position the firm in the marketplace.<sup>51</sup>

Another study demonstrated how a deliberate reinterpretation of organizational culture and history enabled Bang and Olafsen to re-energize its employees and redefine its identity in times of economic crisis. “At B&O, management addressed several business challenges over the decades by engaging in periodic renewals of the firm’s collective sense of self. These renewals ‘involved the projection of “desired images” or “future selves” that were deeply embedded in the organization’s past.’ The company used selected images from its past ‘to give new sense to the organization present and substantiate future aspirations.’”<sup>52</sup>

A third study showed how truck maker Scania and bank Handelsbanken, two companies with long histories, “use historical reference purposely in order to affect strategy-making.” Scania used selective heritage examples to strengthen its ultimately successful avoidance of a takeover by Volvo. Similarly, Handelsbanken used examples from its past to successfully demonstrate how the introduction of a cutting-edge technology—Internet banking—paralleled similar adoptions of new methods from the company’s past. In both cases, “current ideas are legitimized by depicting them as continuous developments from ancient origins.”<sup>53</sup> Another study noted how the United Parcel Service strategically reframed its heritage stories to present a dramatic reshaping of corporate culture as being less radical than it actually was, by positioning those changes in the context of the company’s cherished heritage of embracing new directions.<sup>54</sup> Similarly, when IBM held a three-day, company-wide online employee forum in 2003 to update its values for the twenty-first century, the discussion of the coming century was framed by and rooted in the company’s then-current value system, which was based on nearly a century of culturally ingrained practices, policies, and beliefs.<sup>55</sup>



**FIGURE 2.** In the early part of the twentieth century, Cadbury tapped the Quaker roots of its founding family to help it differentiate itself with external and internal stakeholders. This 1906 Cadbury advertisement evokes a sense of Quaker purity and pastoral peacefulness at a time when a heavily industrialized England was experiencing social and labor discord. Image courtesy of Mondelez International Corporate Archives.

Conversely, management can also use examples from a firm's history to demonstrate the need to create a break with the past, to strategically create organizational discontinuity by creating heritage stories that "rubbish" past behaviors and practices to generate stakeholder buy in and support for change. A study of British Railways demonstrated the effectiveness of this "nostophobic" approach, as management deliberately portrayed the old organizational culture and practices as out of step with the demands of the modern market as part of a campaign to justify to key constituents the need for organizational reform.<sup>56</sup> The study of Handelsbanken noted how that firm, by crafting heritage stories that omitted a part of its past no longer in keeping with current directions and future aspirations, rendered that period "irrelevant as a point of reference."<sup>57</sup>

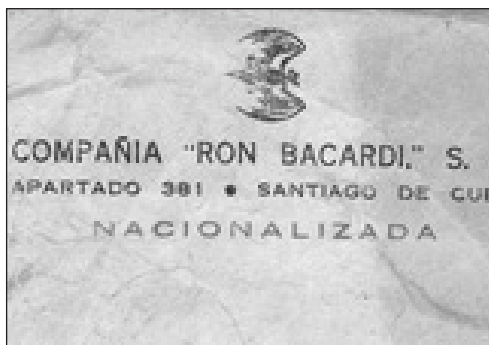
Several studies spelled out the strategic implications when a company fails to connect future aspirations to its heritage. Both the Cadbury and Bang and Olafsen studies showed that a disconnect between a strategic vision and key constituencies can create an "identity ambiguity" that undermines business success.<sup>58</sup> A former AT&T executive, reflecting on the firm's business struggles at the turn of the millennium, made this risk explicit. "What seems certain to me is that, in recent years, through happenstance and errors of judgment, AT&T lost any meaningful link to its heritage," he wrote. "We failed to articulate a mission worthy of our past and capable of driving our future." For this particular executive, AT&T's failure to fully ground its new future directions in its legendary past during a critically important time of organizational change prevented the firm from gaining sufficient constituent commitment to successfully execute its new strategic vision.<sup>59</sup>

### Heritage and Corporate Identity Mix

A second strategic use of corporate heritage found in the academic studies pertains to "corporate identity mix." The term encompasses a wide range of intangible, usually externally facing assets of a corporation: reputation, brand, public image, values, ethics, and other similar characteristics. Collectively, these intangibles "are important assets in enabling organizations to exploit opportunities and mitigate threats" and serve as a source of "sustainable competitive advantage."<sup>60</sup>

Numerous studies have begun to quantify the value of these intangible assets. The previously mentioned Weber Shandwick survey, where executives believed that the majority of their firms' market value is attributable to reputation, is one. Another study showed that corporate investments in intangibles such as reputation, identity, and brand can positively influence perceptions for new and existing customers alike.<sup>61</sup> Similarly, a study of "March Madness," the United States' annual NCAA college basketball tournament, demonstrated—through





**FIGURE 3.** Bacardi used its tumultuous past on the occasion of its 150th anniversary in 2012 to craft for its internal and external stakeholders a corporate identity based in part on its cultural resiliency in the face of adversity. Here the company culled from its corporate archives a document letterhead from the years just after the Cuban Revolution, featuring the word *nacionalizada* (nationalized) and a sideways rendition of its iconic bat logo to denote the loss of its Cuban assets. Bacardi used the document to illustrate and celebrate the company's resilient response to the loss—an accelerated expansion into international markets. Image courtesy of the Bacardi Limited Corporate Archives.

a statistical examination of the process and results of invitations to participate in the 1980s and 1990s—that an organization with a historical legacy of high status based on past performances will benefit from the privileges of that high status, even in periods when its competitive performance does not warrant those privileges.<sup>62</sup> One author summed up the tangible importance of intangibles by noting that “a risk to its reputation is a threat to the survival of the enterprise.”<sup>63</sup>

These studies uniformly accept the importance of heritage to these intangibles, particularly in an era when business change is constant. While organizations

recognize and accept that adapting to change is a critical and never-ending process, constituents, including employees, investors, and the media, value continuity and stability. “It is not considered wise public relations,” stated one study, “to present an organization’s identity as constantly changing.”<sup>64</sup> Another study explicitly incorporated a historical component in its definition of *reputation*, when it stated that “reputation is an outcome of interactions between stakeholders and the organization over time.”<sup>65</sup> Numerous authors also have concluded that heritage plays a significant role in brand, conveying a sense of stability, authenticity, and emotional and symbolic attachment.<sup>66</sup> One study, a statistical analysis of 458 questionnaires, noted that brand heritage is a key driver of brand perception, adding “depth, authenticity, and credibility to the brand’s perceived value,” and marketplace differentiation, where it is “helpful for building a special relationship with a consumer or a range of non-consumer stakeholders.”<sup>67</sup> A study of IBM’s brand, long considered to be one of the most valuable in the world, demonstrated the integral contribution IBM’s heritage makes to the company’s four key brand characteristics.<sup>68</sup>

Several studies focused on individual firms elaborated on how heritage helped successfully implement strategic identity mix goals. The heritage tourism industry was cited as being particularly adept at packaging history to create emotional connections with the consumer.<sup>69</sup> The previously cited studies of Cadbury, Bang and Olafsen, Scania, and British Rail indicated how these firms

used their heritage to better position themselves in the marketplace. A study on reputation noted that extraction companies like Big Oil became leaders in reputation management; faced with constant scrutiny by regulators and the public, these firms generated a “social license to operate” by demonstrating a history of values and ethical behavior.<sup>70</sup> A study on authenticity demonstrated how linking to a brand of premium wines positively influenced consumer perception.<sup>71</sup> One author demonstrated how Australia’s Bendigo Bank tapped community feelings of nostalgia for old-time banking service levels to successfully launch a branch business model.<sup>72</sup> An analysis of the Cunard Line’s brand heritage prior to and after its acquisition by Carnival Lines “suggests that the historical status of older companies is often explicitly linked to their brand identity and consumer appeal” and, furthermore, that Cunard’s heritage played a significant role in its recent turnaround.<sup>73</sup> As part of its 2011 centennial initiative, IBM’s heritage was a core component of a program that successfully met key strategic business objectives: to strengthen bonds with employees, to address weaknesses in key brand characteristics, to differentiate the brand in the marketplace, and to improve the selling environment with current and prospective clients.<sup>74</sup>

The use of heritage in corporate identity mixes is so powerful that sometimes companies—in lieu of utilizing their own heritage—incorporate broader national heritage themes into their corporate or product brand identities. One study demonstrated how Canada’s Tim Hortons doughnut and coffee shops associated its brand with two deeply rooted aspects of Canadian heritage—hockey and the military—to create authenticity and generate consumer appeal for its brand.<sup>75</sup> Another study similarly demonstrated how an expansion hockey team with no history of its own, the Edmonton Oilers, integrated ties to Canada’s broader hockey heritage into its marketing efforts to attract fans and shape them into a cohesive, cross-nation fan base.<sup>76</sup> A third study showed how the Jack Daniel’s whiskey brand tapped into the mythic imagery of America’s backwoods frontier to strategically reposition its product as a drink of common people, rather than the upper-class elixir of its traditional marketing.<sup>77</sup> “By connecting a firm’s history to broader social and cultural values shared by external stakeholders, at the level of community or the nation-state, narrative accounts of a firm’s history may be used to appropriate the legitimacy of broader socio-cultural institutions . . . (and) create substantial and sustainable competitive advantage.”<sup>78</sup>

It is clear the critics believe that an organization’s history can be a rare and inimitable resource that can contribute to many of the intangible assets collectively known as the *corporate identity mix*. For these authors, the integration of heritage into this mix, like organizational change management, is strategic, purposeful, and agentic. This process requires proactive managers to “uncover” aspects of heritage through archival and consumer research, “activate” that



heritage through product design and marketing communications, and “protect” that heritage through stewardship and attention to continuity.<sup>79</sup>

### Lessons for Corporate Archives and Beyond

Corporate history practitioners can draw several key lessons from this review of academic literature on the use of the past by organizations. First, for more than seventy-five years, it has been axiomatic in corporate archival literature that organizational pasts have strategic value, and, therefore, companies



**FIGURE 4.** IBM leveraged its heritage during its 2011 centennial to successfully address a number of internal and external corporate issues ranging from employee retention in emerging markets to strengthening its brand characteristics to deepening its relationships with IT industry decision makers. The company strategically tapped its history to craft key messaging that raised stakeholder awareness of and appreciation for the firm’s past accomplishments, present capabilities, and future aspirations. The heritage-driven centennial program also had a bottom-line impact, as IBM generated record revenues and earnings in 2011, despite being in the midst of a recessed economy. Image courtesy of the IBM Corporation.

should invest in an archival function. It is equally clear that business executives do not consider this in fact to be an axiom; studies of the history of corporate archives indicate that most archives were initially organized not because of a recognized strategic value, but because of a heightened historical awareness driven by company anniversaries and events.<sup>80</sup> Absent anniversary drivers, corporate archives are much more vulnerable to budget reductions or even elimination. In the search for a compelling case capable of persuading executives of the current and ongoing strategic value to be drawn from a corporate archives outside of anniversaries, the perspectives and terminology found in business academic literature may help.

The two schools of thought drawn from business academic literature and reviewed here subscribe to the axiom that organizational history matters, but each offers a different perspective on the strategic value of that history. One, the path-dependence school, believes that history has little ongoing strategic value and, in fact, is something to be feared lest it lead to rigid organizational thinking and immutable behaviors.

The other school of thought, thematically but arbitrarily grouped here as the critics, collectively rebuts path dependence's characteristic denial of the current and ongoing strategic value of organizational pasts by asserting that an organization's history is a strategic asset that has current and future business relevance. The research and writings of these critics offer a promising source of convincing conceptual arguments to corporate history practitioners.

A second key learning is that the subjective interpretation of history and its application as heritage is not an illegitimate use of an organization's past. Nor is the creation of heritage to be equated with fabrication. "History must be treated as malleable—subtly but significantly open to revisions that make it conform to current needs and perceptions."<sup>81</sup> Corporate history is broad enough to encompass multiple interpretations, allowing it to be constructed and reconstructed to meet organizational needs. "History, and its symbolic manifestation through tradition and ritual, is often an elaborate invention used to frame and motivate action."<sup>82</sup> Heritage is an end product of that interpretive process, which "clarifies and makes the past relevant for contemporary contexts and purposes."<sup>83</sup> This heritage application makes history highly meaningful in corporate constructs and allows corporate history practitioners to continue to keep their archival content (and, by extension, their functions) current and relevant.

Lastly, this review demonstrates that while progress in measuring the financial value organizational pasts hold for corporations is being made, it is still an ongoing work. It is clear that until tangible financial measurements that capture and quantify the monetary value of corporate history contributions are identified, a compelling, irrefutable strategic value statement capable of

convincing skeptical executives that corporate archives are “must have” functions will remain aspirational.<sup>84</sup>

Regardless, this review clearly indicates that a strong, demonstrable business case for an organization’s application of its history does exist. To the extent that history is incorporated into high-visibility concepts like organizational change and corporate identity mixes, it creates strategic value. History, distilled into heritage, helps organizations manage internal and external transitions by demonstrating continuity with the past or conversely providing proof of the need to break from the past. It supports identity, brand, reputation, and internal and external communications initiatives. An organization that can effectively leverage its history during even difficult periods can shape how it is perceived and received by key constituents: the industry, regulators, clients, employees, and the public. To this end, corporate history can serve as a source of competitive advantage and contribute to revenue-generation activities. In so doing, it may better position corporate archivists to compete for funding in their organizations.

For corporate archivists, the absolute truths to be extrapolated from this business academic literature is that first, in both theory and practice, an archives should be foundational to high-value strategic initiatives, and that, second, with the unknowing help of business academics, the profession is closer than ever to proving it in terms with which even Neutron Jack Welch can agree.

## NOTES

- <sup>1</sup> M. Rowlinson, C. Booth, P. Clark, A. Delahaye, and S. Procter, “Social Remembering and Organizational Memory,” *Organization Studies* 31, no. 1 (2010): 69–87.
- <sup>2</sup> “Neutron Jack Exits,” *The New York Times*, Opinion, September 9, 2001, [www.nytimes.com/2001/09/09/opinion/neutron-jack-exits.html](http://www.nytimes.com/2001/09/09/opinion/neutron-jack-exits.html); J. Holusha, “A Softer ‘Neutron Jack’ at G.E.,” *The New York Times*, Business Day, March 4, 1992, [www.nytimes.com/1992/03/04/business/a-softer-neutron-jack-at-ge.html](http://www.nytimes.com/1992/03/04/business/a-softer-neutron-jack-at-ge.html).
- <sup>3</sup> E. E. Bergsma, “Managing Value: The New Corporate Strategy,” *The McKinsey Quarterly* (Winter 1989): 64. The example Bergsma used for a then-recent example of restructuring a corporate center was when the British turnaround specialist Hanson plc acquired the American conglomerate SCM in 1986 and promptly began stripping assets, which included among other things reducing its center by 90 percent from 250 to 25 headcount.
- <sup>4</sup> A. Delahaye, C. Booth, P. Clark, S. Procter, and M. Rowlinson, “The Genre of Corporate History,” in “Historical Approaches in Organizational Research,” special issue, *Journal of Organizational Change Management* 22, no. 1 (2009): 27–48. The study notes that what text was there tended to be hagiographic, focusing on founders and leaders. It featured an episodic chronicles format, rather than narrative. And it tended to be intertwined with national chronological frameworks, which served to facilitate reader understanding of the content by placing it in a national context as well to identify the company as a national institution. Last, and the authors of the study seemed surprised by this, the corporate history content generally was a teleology of business success. However, many of these characteristics are easily explained by the realities of corporate “about us” Web pages, whose primary mission is to use technology to reach and influence the audience where they live, provide content in keeping with the quick snippet nature of the Internet, and generate operational savings through cost avoidance. The authors of the study, by focusing solely on the

public relations aspect of the content, seem to miss the fact that hagiographic and business success stories are not necessarily where the highest strategic value of corporate history lies.

- <sup>5</sup> J. T. Seaman Jr. and G. D. Smith, "Your Company's History as a Leadership Tool," *Harvard Business Review* (December 2012): 45–52.
- <sup>6</sup> R. Hower, "The Preservation of Business Records," *Bulletin of the Business Historical Society*, 11 nos. 3–4 (1937): 37–83; W. Overman, "The Pendulum Swings," *The American Archivist* 22 (1959): 4ff.; H. Davidson, "The Indispensability of Business Archives," *The American Archivist*, 30, no. 4 (1967): 593–97; G. White, "The Business Historian and His Sources," *The American Archivist* 30, no. 1 (1967): 19–32; J. Simmons, "Business Records in the Company Archives," *Special Libraries* 59 (1968): 20–23; O. L. Burnette Jr., *Beneath the Footnote, A Guide to the Use and Preservation of American Historical Sources* (Madison: State Historical Society of Wisconsin, 1969); G. D. Smith and L. Steadman, "Present Value of Corporate History," *Harvard Business Review* 59 (1982): 164–73; G. D. Smith, "Dusting Off the Cobwebs: Turning the Business Archives into a Managerial Tool," *The American Archivist* 45, no. 3 (1982): 287–90. Several of these articles note the cyclic nature of corporate archives formation over the decades, specifically the booms of the 1950s and 1970s, and the ebbs of the 1960s and 1980s. D. Smith, "An Historical Look at Business Archives," *The American Archivist* 45, no. 3 (1982): 273–78; P. Mooney, "The Practice of History in Corporate America: Business Archives in the United States," in *Public History: An Introduction*, ed. B. Howe and E. Kemp (Malabar, Fla.: Robert E. Krieger Publishing Co., 1986); E. Adkins, "The Development of Business Archives in the United States: An Overview and a Personal Perspective," *The American Archivist* 60 Winter (1997): 8–33. In the 1990s, several archivists raised flags about the disconnect between long-accepted archival axioms about the strategic value of history to corporations and modern corporate realities. The authors noted how those truisms, regardless of however powerfully articulated by business history practitioners they may be, were not widely held by corporate funding managers and how blind acceptance of those truisms by archivists could actually endanger corporate archives functions. P. Mooney, "Archival Mythology and Corporate Reality," in *The Records of American Business*, ed. J. O'Toole (Chicago: Society of American Archivists, 1996): 57–64; G. Rabchuk, "Life after the 'Big Bang': Business Archives in an Era of Disorder," *The American Archivist* 60 (Winter 1997): 34–43; P. Lasewicz, "Riding Out the Apocalypse: The Obsolescence of Traditional Archivy in the Face of Modern Corporate Dynamics," *Archival Issues* 22, no. 1 (1997): 61–76.
- <sup>7</sup> S. Levy and A. Robles, "The Image of Archivists: Resource Allocators' Perceptions," Study No. 722/01 (Social Research, Inc. 1984). A Society of American Archivists addendum to this report, written in 1985, was more blunt, classifying resource allocators' perception of the archives function as a "practically frivolous activity." It appears this inability to compete for funding in corporations extends beyond archives, as similar examples can be found in corporate libraries and audiovisual departments. See also Lasewicz, "Riding Out the Apocalypse." The author's thinking on this was informed by Bruce Breummer, for which he is libationally grateful.
- <sup>8</sup> Seaman Jr. and Smith, "Your Company's History as a Leadership Tool"; P. Lasewicz, "Rooted in the Archives: The Contribution of Corporate Heritage to the IBM Brand," in *Sekai no Bijinesu Akaibuzu: Kigo no Gensen (Leveraging Corporate Assets: New Global Directions for Business Archives)* (Tokyo: Nichigai Associates, Inc., 2012), chap. 3.
- <sup>9</sup> A tentative attempt to capture executive perspectives on the integral role of history in a corporate mission was made in the mid-1990s in *The Records of American Business*, edited by James O'Toole. The effort was most notable for its demonstration that even executives supportive of archives couldn't quantify the strategic value of organizational pasts. A former DuPont CEO, focused on the societal value of business records, conceded that "Histories do not contribute to profits." A Kraft Foods executive couched the case in terms of cost avoidance and improved quality of information—a statement of process efficiency rather than of strategic value. (This concept of cost avoidance as the financial justification for an archives has long been a staple of corporate archives writings and practice. See D. Gardner, "Commentary II," *The American Archivist* 45, no. 3 [1982]: 294–95. But the concept doesn't carry as much weight with modern executives who prioritize investments in revenue generation over cost avoidance.) And a former Philip Morris CEO who claimed credit for starting a corporate archives characterized its value as largely historical, rather than strategic. O'Toole, *The Records of American Business*, chap. 4.
- <sup>10</sup> The importance of archivists understanding what executives read was briefly touched upon but left unexplored by a former director of the Ford Archives thirty years ago. D. Bakken, "Corporate

Archives Today," *The American Archivist* 45, no. 3 (1982): 279–86. The author extends his deepest gratitude to William M. Foster, University of Alberta, and Elden Wiebe, The King's University College, for introducing him to the business academia's topical exploration of the value of organizational pasts. Their collegial generosity greatly accelerated my entry into this literature.

- <sup>11</sup> The following is a list of these relevant terms, in no particular order: reputation, status, historical legacy, path dependence, positive association, negative association, institutional theory, institutional story, symbolic resources, social remembering, organizational memory, collective memory, organizational mnemonics, social memory studies, collective memory, collective identity, sense-making, sensegiving, revisionist history, rhetorical history, schematic narrative, forgetting, corporate identity, corporate heritage identity, corporate brand, corporate heritage brand, corporate reputation, corporate expression, brand promise, brand personality, brand image, brand experience, brand relationships, brand communities, corporate identity mix, corporate brand belief, corporate character, legitimacy, facticity, nostalgia, synthetic authenticity, authenticity, organizational identity, packaged past, decentering, recentering, emotional crafting, re-presenting, invented tradition, brand community, brand heritage, cultural heritage, heritage quotient, rare resources.
- <sup>12</sup> One of the first things to come out of that review is that the breadth and variety of terms used by these academics writing on this topic is mind-boggling. Fifty-five different concepts relating to the use of organizational pasts were identified. R. Abratt and N. Kleyn, "Corporate Identity, Corporate Branding and Corporate Reputations: Reconciliation and Integration," *European Journal of Marketing* 46, nos. 7–8 (2012): 1048–63; C. Fombrun and C. Van Riel, "The Reputational Landscape," *Corporate Reputation Review* 1, nos. 1–2 (1997): 5–13. Equally striking about these terms is the lack of definitional consensus among the academics around even fundamental business concepts. Of particular note is that while many of these terms seem more proprietary than universally accepted, even those that are used by multiple authors rarely mean the same thing. For example, one study noted that of forty-three papers dealing with the concept of reputation that were reviewed, only nineteen defined what they meant by "reputation," and none had repeat citations—meaning not one of those nineteen specific definitions was deemed of sufficient utility to be adopted by other authors. Similarly, there is little agreement in literature as to what constitutes a corporate brand. Fortunately for the purpose of this review, what the terms are or how they are defined is less important than the overriding commonality that they have: a new way of looking at the work that corporate history practitioners do. Abratt and Kleyn, "Corporate Identity, Corporate Branding and Corporate Reputations."
- <sup>13</sup> Not surprisingly, several authors have recently called out for definitional clarification around key concepts in path dependence and its related theories. J. Sydow, G. Schreyogg, and J. Koch, "Organizational Path Dependence: Opening the Black Box," *Academy of Management Review* 34, no. 4 (2009): 689–709.
- <sup>14</sup> While this is necessarily a characterization that summarizes the prevailing view in the literature, a few contradictory examples can be found over the years. For example, in 1965, Arthur Stinchcombe hypothesized about the influence a firm's founding conditions have on its subsequent character, practices, values, and traditions. R. Suddaby, W. Foster, and C. Quinn Trank, "Rhetorical History as a Source of Competitive Advantage," *Advances in Strategic Management* 27 (2010): 147–73.
- <sup>15</sup> P. A. David, "Clio and the Economics of QWERTY," *American Economic Review Proceedings* 75, no. 2 (1985): 332–7; W. B. Arthur, "Competing Technologies, Increasing Returns, and Lock-In by Historical Events," *The Economic Journal* 99, no. 394 (1989): 116–31.
- <sup>16</sup> P. Garrouste and S. Iannids, *Evolution and Path Dependence in Economic Ideas: Past and Present* (Northampton, Mass.: Edward Elgar, 2001), chap. 1.
- <sup>17</sup> David, "Clio and the Economics of QWERTY." A later study argued that David's interpretation is inherently flawed in that QWERTY keyboards actually were a logical choice by the market. S. J. Liebowitz and S. Margolis, "The Fable of the Keys," *Journal of Law and Economics* 33, no. 1 (1990): 1–25.
- <sup>18</sup> Arthur, "Competing Technologies, Increasing Returns, and Lock-In by Historical Events." According to the economic theory of increasing returns (a principle of path dependence), small accidents occurring in the early history of the system are not averaged away and dramatically impact on its evolution. Path-dependence systems exhibit four specific properties: 1) path dependence processes



- may be inefficient (i.e., the course of action taken is not necessarily path-efficient); 2) nonpredictable results are possible; 3) path-dependence processes are inflexible (i.e., lock-ins unfold and the manifestation of an event depends on its previous occurrence); and 4) nonergodicity prevails (i.e., the role of small events to create irreversible paths). It is important to note that this recognition of the importance of organizational history is itself a shift in academic scholarship, in that prior to its emergence, for most environmental models of competitive advantage, "the performance of firms can be understood independent of the particular history and other idiosyncratic attributes of the firms." W. B. Arthur, *Increasing Returns and Path Dependence in the Economy* (Ann Arbor: University of Michigan Press, 1994), chap. 2. Of note is that in recent years, proponents of path-dependence theories have attempted to mitigate the more mechanically deterministic aspects of the concept by making it more inclusive of managerial activity. B. Demil, X. Lecocq, and F. Carlo Wezel, "The Curse of the Follower: Path Dependency and Its Consequence in the Role Playing Game Industry" (working paper, 2008), [lem.cnrs.fr/Portals/2/actus/Dp\\_200803.pdf](http://lem.cnrs.fr/Portals/2/actus/Dp_200803.pdf); J. Barney, "Firm Resources and Sustained Competitive Advantage," *Journal of Management* 17, no. 1 (1991): 99–120; Sydow et al., "Organizational Path Dependence: Opening the Black Box"; J.-P. Vergne and R. Durand, "The Path of Most Persistence: An Evolutionary Perspective on Path Dependence and Dynamic Capabilities," *Organization Studies* (2011): 1–18. One study challenged the path-dependence conclusion of the Beta/VHS war, asserting that both formats were essentially equal, and that the market's selection of VHS was logically and efficiently based on its longer recording capacity. S. J. Liebowitz and S. Margolis, "Path Dependence, Lock-in, and History," *Journal of Law, Economics, and Organization* 11, no. 1 (1995): 205–26.
- <sup>19</sup> The logic of path dependence has been applied to the emergence and the persistence of dominant technologies, to scientific theories, to spatial agglomerations, to the evolution of organizational populations, and to provide justification for strategic persistence. Demil et al., "The Curse of the Follower."
- <sup>20</sup> C. A. Bartlett and Sumatra Ghoshal, "Administrative Heritage," *The McKinsey Quarterly* (Winter 1990): 31. This article, an excerpt from a larger work on managing international organizations, notes that while firms are moving toward similar transnational forms, their paths to those future forms are different due to being locked in by the "heavy weight of past choices," strategic and operational decisions that create different specific challenges.
- <sup>21</sup> G. Schreyögg, J. Sydow, and P. Holtmann, "How History Matters in Organisations: The Case of Path Dependence," *Management and Organizational History* 6 (2011): 81–100; I. Greener, "Theorising Path Dependence: How Does History Come to Matter in Organizations, and What Can We Do about It?" (working paper, 2004), [ideas.repec.org/p/wrc/ymswp1/3.html](http://ideas.repec.org/p/wrc/ymswp1/3.html); S. Becker and H. Hvide, "Do Entrepreneurs Matter?," IZA Discussion Paper, no. 7146 (2013).
- <sup>22</sup> Suddaby et al., "Rhetorical History as a Source of Competitive Advantage."
- <sup>23</sup> Suddaby et al., "Rhetorical History as a Source of Competitive Advantage."
- <sup>24</sup> W. Foster, R. Suddaby, A. Minkus, and E. Wiebe, "History as Social Memory Assets: The Example of Tim Hortons," *Management and Organizational History* 6, no. 1 (2011): 101–20. Of interest is that a similar academic debate played out in the 1990s over the heritage industry, where old countries that increasingly reflected on their own pasts were seen as either being conservative and unable to face their future, or conversely, active, engaged, and better able to "both question its origins and future." T. Strangleman, "The Nostalgia of Organization and the Organization of Nostalgia: Past and Present in the Contemporary Railway Industry," *Sociology* 33, no. 4 (1999): 725–46.
- <sup>25</sup> It can be argued that this interpretation of how path dependence views history is overly deconstructive—that path-dependence theorists have in fact revived in business circles the importance of knowing the past. This is, in fact, an accurate assertion. But there is a difference between knowing the past, as path-dependence theorists advocate, and using the past strategically (again, defined as creating competitive advantage), which they don't feel is possible. This distinction is important in understanding why path dependence is, from the perspective of those who leverage firm history to organizational advantage, at root a history-averse concept.
- <sup>26</sup> The current dean of the Harvard School of Business, Nitán Nohria, wrote on path dependence. M. C. Moldoveanu, N. Nohria, and H. H. Stevenson, "The Path-Dependent Evolution of Organizations," Harvard Business School Working Paper, No. 96–005, August 1995. There is also a Path Dependency Research Center at Free University Berlin, and the topic is touched on in coursework at Carnegie Mellon's Tepper School of Business. See also Bartlett and Ghoshak, "Administrative

Heritage.” Moreover, path-dependence theorists remain active across a wide variety of disciplines, continuing to research and write on the topic. So their influence on corporate management will remain an ongoing concern for corporate history practitioners to address in the decades to come.

- <sup>27</sup> For the purposes of this study, the critics will not prominently include those who take on path dependence from an economist’s perspective. Examples of this kind of critical study are Liebowitz and Margolis, “Path Dependence, Lock-in, and History,” and R. Garud and P. Karnoe, “Path Creation as a Process of Mindful Deviation,” in *Path Dependence and Creation*, ed. R. Garud and P. Karnoe (Mahwah, N.J.: Earlbaum, 2001). The phrase “historic turn” is attributed to P. Clark and M. Rowlinson, “The Treatment of History in Organisation Studies: Towards an ‘Historic Turn’?,” *Business History* 46, no. 3 (2004): 331–52.
- <sup>28</sup> Suddaby et al., “Rhetorical History as a Source of Competitive Advantage”; O. Brunninge, “Using History in Organizations: How Managers Make Purposeful Reference to History in Strategy Processes,” *Journal of Organizational Change* 22, no. 1 (2009): 8–26;
- <sup>29</sup> Brunninge, “Using History in Organizations”; Suddaby et al., “Rhetorical History as a Source of Competitive Advantage.” Other authors indicate that certain disciplines are by nature disinclined to value history. One criticized sociologists over their professional skepticism about the value of history, with the result that “in most organization studies, archives are not seen as part of an organization’s memory.” M. Rowlinson and J. Hassard, “The Invention of Corporate Culture: A History of the Histories of Cadbury,” *Human Relations (HR)* 46 (1993): 299–26. Another called out management scholars for using “history only to illustrate its irrelevance.” R. Stager Jacques, “History, Historiography and Organization Studies: The Challenge and the Potential,” *Management and Organizational History* 1 (2006): 31–48. And a third noted that management scholarship has been dominated for a couple decades by “basically ahistorical research.” Brunninge, “Using History in Organizations.”
- <sup>30</sup> G. Dowling, “How Good Corporate Reputations Create Corporate Value,” *Corporate Reputation Review* 9, no. 2 (2006): 134–43.
- <sup>31</sup> K. Wiedmann, N. Hennigs, S. Schmidt, and T. Wuestefeld, “The Importance of Brand Heritage as a Key Performance Driver in Marketing Management,” *Journal of Brand Management* 19 (2011): 182–94.
- <sup>32</sup> E. Blankespoor, G. Miller, and H. White, “Dissemination, Direct-Access Information Technology and Information Asymmetry,” Working Paper Series no. 135, Rock Center for Corporate Governance, Stanford University (2013).
- <sup>33</sup> The article focuses on American Express, but conversations with other corporate archivists active in social media channels indicate similar positive results. Christopher Heine, “AmEx’s Social Data Shows that Nostalgia Is Just Swell: 19th-Century Pics Push Engagement through the Roof,” *Adweek*, October 11, 2013, [www.adweek.com/news/technology/amex-social-data-shows-nostalgia-just-swell-153053#!](http://www.adweek.com/news/technology/amex-social-data-shows-nostalgia-just-swell-153053#!) For an introduction to social media metrics, see L. Poston, *Social Media Metrics for Dummies* (Hoboken, N.J.: John Wiley and Son, 2012).
- <sup>34</sup> Brunninge, “Using History in Organizations”; C. S. Ooi, “Persuasive Histories: Decentering, Recentering and the Emotional Crafting of the Past,” *Journal of Organizational Change Management* 15, no. 6 (2002): 606–21.
- <sup>35</sup> Dowling, “How Good Corporate Reputations Create Corporate Value.”
- <sup>36</sup> Weber Shandwick, “The Company behind the Brand: In Reputation We Trust—Parts 1, 2, 3” (2012).
- <sup>37</sup> Smith and Steadman, “Present Value of Corporate History.” An example of this philosophical divergence is evident in Richard Cox’s statement regarding the Society of American Archivists’ “Raisingate” debate of 2004–2005: “What intrigues me is how the individual functioning as an archivist or records manager can work in the corporate environment in any realistic way, adhering to any sense of professional ethics or mission.” *The American Archivist* 68 (Spring/Summer 2005): 10.
- <sup>38</sup> D. Lowenthal, “Fabricating Heritage,” *History and Memory* 10, no. 1 (1998): 5–24.
- <sup>39</sup> Suddaby et al., “Rhetorical History as a Source of Competitive Advantage.”
- <sup>40</sup> Brunninge, “Using History in Organizations”; Strangleman, “The Nostalgia of Organization and the Organization of Nostalgia.”



- <sup>41</sup> J. M. T. Balmer, "Corporate Heritage Identities, Corporate Heritage Brands and the Multiple Heritage Identities of the British Monarchy," *European Journal of Marketing* 45, nos. 9–10 (2011): 1380–98; Suddaby et al., "Rhetorical History as a Source Of Competitive Advantage."
- <sup>42</sup> Ooi, "Persuasive Histories."
- <sup>43</sup> J. Olick and D. Levy, "Collective Memory and Cultural Constraint: Holocaust Myth and Rationality in German Politics," *American Sociological Review* 62 (1997): 921–36; "Building Belief: A New Model for Activating Corporate Character and Authentic Advocacy," Arthur W. Page Society (2012); D. Gioia, M. Schultz, and K. G. Corley, "Organizational Identity, Image, and Adaptive Instability," *Academy of Management Review* 25, no. 1 (2000): 63–81.
- <sup>44</sup> D. Gioia, K. Corley, and T. Fabbri, "Revising the Past (While Thinking in the Future Perfect Tense)," *Journal of Organizational Change Management* 15, no. 6 (2002): 622–34.
- <sup>45</sup> Brunninge, "Using History in Organizations."
- <sup>46</sup> J. Olick, "Between Chaos and Diversity: Is Social Memory Studies a Field?," *International Journal of Politics, Culture and Society* 22 (2009): 249–52; Rowlinson et al., "Social Remembering and Organizational Memory."
- <sup>47</sup> L. Cutcher, "Creating Something: Using Nostalgia to Build a Branch Network," *Journal of Consumer Culture* 8 (2008): 369–87; M. Suchman, "Managing Legitimacy: Strategic and Institutional Approaches," *The Academy of Management Review* 20, no. 3 (1995): 571–610; J. Liedtka, "Strategy Making and the Search for Authenticity," *Journal of Business Ethics* 80 (2008): 237–48; Seaman Jr. and Smith, "Present Value of Corporate History."
- <sup>48</sup> D. Gioia and K. Chittipeddi, "Sensemaking and Sensegiving in Strategic Change Initiation," *Strategic Management Journal* 12, no. 6 (1991): 433–48.
- <sup>49</sup> D. Ravasi and M. Schultz, "Responding to Organizational Identity Threats: Exploring the Role of Organizational Culture," *The Academy of Management Journal* 49, no. 3 (2006): 433–58.
- <sup>50</sup> R. Suddaby, "Challenges for Institutional Theory," *Journal of Management Inquiry* 19, no. 1 (2010): 14–20.
- <sup>51</sup> "The success of the company's invented culture is indicated by the continued acceptance of its constructed history by business historians and corporate culture writers alike." Rowlinson and Hassard, "The Invention of Corporate Culture: A History of the Histories of Cadbury."
- <sup>52</sup> Ravasi and Schultz, "Responding to Organizational Identity Threats."
- <sup>53</sup> Brunninge, "Using History in Organizations."
- <sup>54</sup> Seaman Jr. and Smith, "Your Company's History as a Leadership Tool."
- <sup>55</sup> Lasewicz, "Rooted in the Archives."
- <sup>56</sup> Strangleman, "The Nostalgia of Organization and the Organization of Nostalgia."
- <sup>57</sup> Brunninge, "Using History in Organizations"; Rowlinson and Hassard, "The Invention of Corporate Culture"; P. Connerton, "Seven Types of Forgetting," *Memory Studies* 1, no. 1 (2008): 59–71.
- <sup>58</sup> Ravasi and Schultz, "Responding to Organizational Identity Threats."
- <sup>59</sup> D. Martin, "Corporate Reputation: Reputational Mythmaking," *Journal of Business Strategy* 25, no. 6 (2004): 39–44.
- <sup>60</sup> Barney, "Firm Resources and Sustained Competitive Advantage"; Abratt and Kleyn, "Corporate Identity, Corporate Branding and Corporate Reputations"; J. Morin, "Creating Authenticity in an Increasingly Distrustful World," *The Journal for Quality and Participation* 33, no. 1 (2010): 22–24; Balmer, "Corporate Heritage Identities, Corporate Heritage Brands and the Multiple Heritage Identities of the British Monarchy"; C. Fombrun and M. Shanley, "What's in a Name? Reputation Building and Corporate Strategy," *The Academy of Management Journal* 33, no. 2 (1990): 233–58; M. Washington and E. Zajac, "Status Evolution and Competition: Theory and Evidence," *Academy of Management Journal* 48, no. 2 (2005): 282–96; Gioia et al., "Revising the Past (While Thinking in the Future Perfect Tense)"; Foster et al., "History as Social Memory Assets"; M. Urde, "Core Value-Based Corporate Brand Building," *European Journal of Marketing* 37, nos. 7–8 (2003): 1017–40.
- <sup>61</sup> K. Money, S. Rose, and C. Hillenbrand, "The Impact of the Corporate Identity Mix on Corporate Reputation," *Brand Management* 18, no. 3 (2010): 197–211.
- <sup>62</sup> Washington and Zajac, "Status Evolution and Competition."

- <sup>63</sup> P. Firestein, "Building and Protecting Corporate Reputation," *Strategy and Leadership* 34, no. 4 (2006): 25–31.
- <sup>64</sup> Gioia et al., "Revising the Past (While Thinking in the Future Perfect Tense)"; Page Society, "Building Belief"; Gioia et al., "Organizational Identity, Image, and Adaptive Instability."
- <sup>65</sup> Abratt and Kleyn, "Corporate Identity, Corporate Branding and Corporate Reputations."
- <sup>66</sup> U. Hakala, S. Latti, and B. Sandberg, "Operationalising Brand Heritage and Cultural Change," *Journal of Product and Brand Management* 20, no. 6 (2011): 447–56; M. Urde, S. A. Greyser, and J. M. T. Balmer, "Corporate Brands with a Heritage," *Journal of Brand Management* 15, no. 1 (2007): 4–19; Rowlinson and Hassard, "The Invention of Corporate Culture: A History of the Histories of Cadbury."
- <sup>67</sup> Wiedmann et al., "The Importance of Brand Heritage as a Key Performance Driver in Marketing Management"; Barney, "Firm Resources and Sustained Competitive Advantage"; Liedtka, "Strategy Making and the Search for Authenticity"; Morin, "Creating Authenticity in an Increasingly Distrustful World."
- <sup>68</sup> Lasewicz, "Rooted in the Archives."
- <sup>69</sup> Ooi, "Persuasive Histories."
- <sup>70</sup> Firestein, "Building and Protecting Corporate Reputation."
- <sup>71</sup> M. Beverland, "The 'Real Thing': Branding Authenticity in the Luxury Wine Trade," *Journal of Business Research* 59 (2006): 251–58.
- <sup>72</sup> Cutcher, "Creating Something."
- <sup>73</sup> B. T. Hudson, "Brand Heritage and the Renaissance of Cunard," *European Journal of Marketing* 45, nos. 9–10 (2011): 1538–56. Another study noted how the city of Sante Fe, New Mexico, deliberately created what became known as the Sante Fe Style by decreeing in 1912 that all new buildings were to feature certain accurate but not yet pervasive local historical architectural features. This reinterpretation of the past created a "new," more homogeneous past as the years went by. One wag noted that "Sante Fe was a place fast becoming what it should have been." "If we cast ourselves into the future, we can affect the interpretation of the past when the future arrives." Gioia et al., "Revising the Past (While Thinking in the Future Perfect Tense)."
- <sup>74</sup> Internal IBM documents.
- <sup>75</sup> Foster et al., "History as Social Memory Assets."
- <sup>76</sup> W. Foster and C. Hyatt, "Inventing Team Tradition: A Conceptual Model for the Strategic Development of Fan Nations," *European Sport Management Quarterly* 8, no. 3 (2008): 265–87.
- <sup>77</sup> D. Holt, "Jack Daniel's America : Iconic Brands as Ideological Parasites and Proselytizers," *Journal of Consumer Culture* 6 (2006): 355–77.
- <sup>78</sup> Foster et al., "History as Social Memory Assets"; D. D. Muehling and D. E. Sprott, "The Power of Reflection: An Empirical Examination of Nostalgia Advertising Effects," *Journal of Advertising* 33, no. 3 (2004): 25–35; Holt, "Jack Daniel's America." Holt goes so far as to suggest that more than appropriate the legitimacy of a sociocultural institution like the American frontier, brands could come to serve as powerful metonyms for those institutions—modern embodiments of cultural characteristics that were thought to be lost forever, embodiments that hold brand appeal for a society that let the characteristics slip into the past.
- <sup>79</sup> Urde et al., "Corporate Brands with a Heritage"; Balmer "Corporate Heritage Identities, Corporate Heritage Brands and the Multiple Heritage Identities of the British Monarchy."
- <sup>80</sup> Mooney, "The Practice of History in Corporate America."
- <sup>81</sup> Gioia et al., "Revising the Past (While Thinking in the Future Perfect Tense)."
- <sup>82</sup> Brunninge, "Using History in Organizations"; Rowlinson and Hassard, "The Invention of Corporate Culture."
- <sup>83</sup> Urde et al., "Corporate Brands with a Heritage."
- <sup>84</sup> It's true that the fact that IBM reaped record revenues and earnings during its centennial year—during a down economy—is highly suggestive of the financial impact strategically deployed heritage content can have. The question that needs to be asked, however, is—is this financial impact replicable?

## ABOUT THE AUTHOR

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Paul C. Lasewicz is the archivist at McKinsey and Company, one of the world's leading management consulting firms. Before joining McKinsey in 2014, he spent more than two decades as the corporate archivist at IBM and Aetna Life and Casualty, two Fortune 100 international corporations. In addition to managing the corporate archives programs at those two companies, he served on the IBM Centennial Core Team (for which he received a 2012 Best of IBM award), two IBM Academy of Technology studies on digital preservation, the Aetna Y2K committee, and the original Aetna intranet steering committee. Over his twenty-five years in the profession, he has served in leadership positions in local, regional, and national professional associations. He frequently presents on corporate archives topics at domestic and international conferences, and his articles have appeared in regional, national, and international archives publications. He is also a multiple winner of the coveted SAA Golf Open's Keiner Cup.