

Chapter 18

Power and Influence

Chapter Outline

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Political Versus Rational Decision-making

Power and organizational politics make people feel uncomfortable. Power is a word that has an emotional tinge. When people use politics to accomplish something they want, we are quick to condemn their behavior as immoral and unethical. Nevertheless, power, influence, and political activity exist in organizations, and some have argued persuasively that the use of power is not only inevitable but often beneficial to both organizations and individuals. An important objective of this chapter is to show that power and politics are not only inevitable but important parts of administrative activity. It is important to recognize when power is being used by ourselves or others and to know how to use it more effectively.

Power Orientation: A Way to View Organizations

The effects of power can be seen in almost every aspect of organizational life such as (1) when budgets are allocated to organizational subunits, (2) when promotion and hiring decisions are made, and (3) when organizational structures are redesigned. We typically dislike admitting that politics plays an important role in making organizational decisions because we think our behavior should be based on socially accepted values of rationality and effectiveness. It is socially more acceptable to believe that budget allocations are based upon a rational assessment of departmental needs rather than the political power of the department managers.

Exorbitant executive salaries illustrate the use of power. The golden rule of power says that those who have the gold get to rule; in other words, those who have power can successfully manipulate situations to retain power and increase their share of the rewards. The major reason why executive pay is so enormous

is because executives have the power to play a central role in deciding their own pay. Technically, executive pay is determined by the board of directors, and someone who didn't know better might think executive pay was based on an impartial evaluation of their performance. It sounds good, but it's not true. This naive belief fails to recognize (1) how top managers manipulate and control the information presented to the board and (2) the fact that in many corporations the top executives are members of the board. Although executives may not comprise a majority of the board, they control the kinds of information seen by the board and many of the comparisons the board uses to make salary and bonus decisions.

Rational decision making assumes that decision makers define the organization's objectives and select good alternatives. This process assumes that everyone agrees on the objectives and, after a careful review, everyone will also agree on the ideal alternative. Two of the leading researchers on power, Jeffrey Pfeffer and John Kotter, both argue that in reality the rational decision-making model is seldom used.¹ Pfeffer argues that rational decision-making models fail to account for the diversity of interests and goals within organizations, and he concludes that the decision-making processes in organizations must be understood from the perspective of power and organizational politics. This does not necessarily mean that most decisions are contrary to the best interest of the organization. Indeed, Pfeffer argues that political decision making is often beneficial if not necessary for organizational effectiveness because it provides a mission and direction for the organization. Trying to achieve a consensus about the organization's objectives and which alternatives best serve its interests would be extremely time consuming and ineffective, particularly in today's large and complex organizations with diverse cultures and interests.

Although power may be necessary for organizational decision making, the prevalence of politics among top management teams has been found to be associated with poor firm performance. Political decision making is not necessarily the most effective.²

Organizational politics and power provide a very different way of conceptualizing organizational behavior than the open-systems model that has been used throughout most of this text. Open-systems theory described organizations as a set of patterned activities that are structured in a variety of effective or ineffective ways. Political models view organizations as pluralistic collections of people and subcultures competing for scarce resources and the right to determine the organization's strategy and objectives. Conflict is viewed as normal or at least a customary part of the organization. The activities of individuals and groups are not viewed as goal-directed behaviors but as games among players who are pursuing their own individual or subunit objectives. Political models of organizations assume that when the interests of people conflict, decisions will be determined by the relative power of the individuals or subunits involved. Those who possess the greatest power will receive the greatest rewards as a result of the interplay of organizational politics. Power is used to overcome the resistance of others and to get one's way in the organization.

Types of Influence

The need for influence in organizations stems from the need to reduce the variability of human behavior. In every organization, people must behave in prescribed ways; employees cannot behave however they please. The necessity of doing the right thing at the right time is particularly visible in such groups as athletic teams, orchestras, and assembly-line workers. In these groups the need for influence to reduce the variability of human behavior is quite evident. The differences between power, authority, control, leadership, and politics are summarized in Exhibit 18.1.

Exhibit 18.1 Types of Influence

Influence	Definition
Power	The Capacity to influence the behavior of others; the ability of one party to overcome resistance in others to achieve a desired objective.
Authority	The legitimate exercise of power, where “legitimate” means role relevant.
Control	The capacity to determine acceptable behavior and prevent someone from behaving unacceptably.
Leadership	Incremental influence; the ability to induce voluntary compliance by inspiring and motivating others.
Politics	The use of power in organizations to obtain one’s preferred outcomes.

Most organizations are arranged hierarchically with power and authority concentrated at the top. An alternative to this hierarchical structure, called the *democratic alternative*, separates the functions of management into the legislative and executive functions similar to the branches of government.³ In a democratic system, the executive function is performed by leaders who are either appointed or elected to their office, and the power they exercise has been granted to them by the vote of the membership. But the legislative function is performed by everyone in the organization, including lower-level members who participate equally in deciding the organization's policies and rules. Labor unions are supposed to operate democratically – each union member should participate equally in expressing opinions and ratifying contracts.

Although this democratic alternative is rather appealing, it is not the most effective power structure. In fact, studies on the structure and distribution of power in society have identified what is called the “*irony of democracy*.”⁴ Briefly stated, this irony is that the basic democratic values of our society are not preserved by the masses of population they are intended to protect. Instead, our basic democratic values are preserved by small elitist groups who exercise tremendous power even though they are not formally elected as leaders. Important freedoms protecting political, social, and economic interests are preserved by the efforts of these small elite groups who are willing to be involved in social issues.

Conditions Necessary for the Use of Power

Some situations are more susceptible to the use of power than others. For example, in a physical exercise program there is no reason for one jogger to exert power over other joggers since all the joggers are independent – they can run whenever they want, wherever they want, and as far as they want. The scheduling of tennis courts, however, provides many opportunities for conflict and the use of power may be necessary for resolving the conflict. Three conditions are necessary for the use of power: interdependence, scarcity, and heterogeneous goals.⁵

Interdependence. A state of interdependence provides an opportunity for conflict and a corresponding need for some method to resolve it. Interdependence arises from joint activity where the work of one individual or group affects the work of others. Interdependence ties the activities of organizational members together, and each member becomes concerned with what others do and what they obtain. In

the absence of interdependence there would be no basis for conflict and no reason for one individual to exert influence over others.

Scarcity. When resources are ample and people have everything they want, conflict tends to be eliminated. When resources are scarce, however, choices must be made concerning their allocation. The greater the *scarcity* relative to the demand, the greater the opportunity for power and influence to be used in resolving the conflict.

Heterogeneous goals. When everyone agrees on the goals of the organization and how to achieve them, conflict is reduced. However, most organizations experience considerable disagreement because they have heterogeneous goals and incompatible beliefs about how these goals should be achieved. Managers may strongly disagree about which products should be promoted or which innovations will be the most profitable. They may also disagree about the long-term effects of organizational policies and human resource practices.

When interdependence, scarcity, and heterogeneous goals are present, as illustrated in Exhibit 18.2, the likelihood that some form of power will be exerted is very high. Indeed, Pfeffer argues that under these conditions the use of power is virtually inevitable and essentially the only way to arrive at a decision. The use of power is inevitable because there is no rational way to determine whose preferences should prevail or whose beliefs about the goals or the methods of achieving them should guide the decision. Prolonged discussions using rational decision-making processes will generally serve to heighten the awareness of the goal incompatibility. In these situations, social customs, traditions, and group norms may be called on to guide the decision, but in actuality they are only used by the most powerful to make the use of power appear less obtrusive and more legitimate.

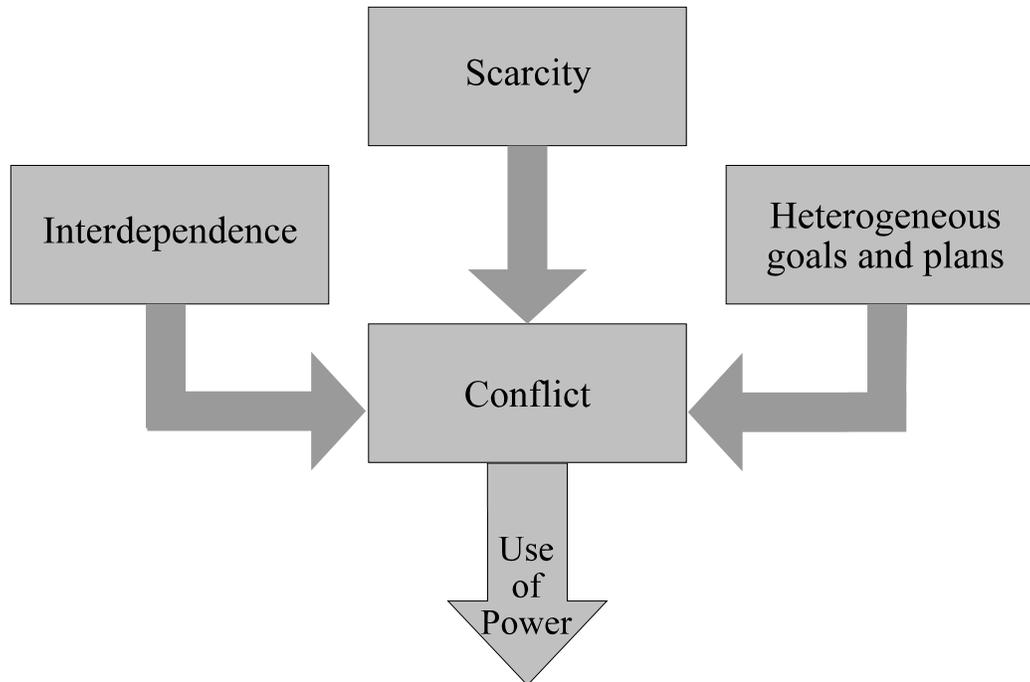
In many situations, power can be used so effectively by those who are powerful that others are not even aware that it is happening and they feel no conflict or resistance. By manipulating the situation, redefining the objectives, and using other political tactics, high-power people can make low-power people believe they are engaged in a cooperative situation. Here the use of power is perceived by everyone as contributing to greater effectiveness. People who are adept at manipulating power can successfully achieve their own ends without causing resentment or unhappiness. Indeed, others can be so seduced by the skilled use of power that they approve of the actions and willingly comply.

Authority Versus Power

It is important to distinguish between power and authority. Power represents the capacity of one person to secure compliance from another person, while authority represents the *right* of this person to seek compliance by others. Therefore, authority is defined as legitimate power and is conferred upon an individual by the organization or social customs. Authority is backed by legitimacy.

Here, “legitimate” is defined as “role relevant” or, in other words, “related to one’s job or position within the organization.” Behaviors, attitudes, and even manners of dress and grooming, if they are related to successful job performance, are considered role relevant. However, behaviors and attitudes that have nothing to do with job performance are not role relevant; for example, food preferences, the choice of friends, or hairstyles.

Exhibit 18.2 Conditions Necessary for the Use of Power



If a manager asks an assistant to prepare a report, this request would be role relevant and the manager would be exercising authority. However, if the manager asks the assistant to perform personal errands during the lunch hour, this would not be a role relevant request and would not constitute an exercise of authority. If the assistant performed the personal errands, it would not be because of legitimate power but because of some other form of power. Sometimes managers admit that some of their directives are not role relevant. Usually they say that their directives are requests or suggestions rather than orders or commands.

Max Weber used a historical perspective to contrast three types of authority: traditional, charismatic, and rational-legal.⁶

- 1 **Traditional authority.** Traditional authority is the influence exerted by an individual who has rightfully inherited a position of status. This form of authority is characteristically found in cultures where kings or chiefs occupy a position of status that is widely accepted within the society. The authority possessed by the king or the chief is based on inheritance or a natural order that has always been followed and presumed to always have existed. In some family businesses, the children of the founder exert considerable influence on others even though they do not occupy a formal position in the company.
- 2 **Charismatic authority.** Charismatic authority stems from the alluring and mystical quality of a leader who is highly respected and revered. A true charismatic leader possesses a special quality of leadership that captures the popular imagination and inspires unwavering allegiance and devotion. Therefore, charismatic leaders are able to exert influence because of the respect and devotion others have for them. Their directives are seen as legitimate because the followers assume that a charismatic leader has the vision or inspiration to know what must be done.

3 **Rational-legal authority.** The authority that comes from a person's formal position within an organizational hierarchy is called *rational-legal authority*. Weber's description of rational-legal authority was derived from his definition of a bureaucracy in which office holders had the authority to issue official directives and sanctions based upon the rules and official procedures associated with their offices.

An important question is why people respond to authority. Why do people submit to the influence of others? One reason is because obedience is usually necessary for continued membership – if you want to play the game you have to follow the rules. Another reason is because everyone realizes that rule compliance is necessary for the organization to survive. Most people say they feel “a duty” to obey accepted authorities.

Finally, obedience to authority is a central part of our training from early childhood through adulthood. People have been taught to obey authority figures as part of the basic socialization process. This willingness has been illustrated in a series of surprising studies conducted by Stanley Milgram showing that experimental subjects willingly obeyed the instructions of an experimenter even when they thought they were inflicting intense pain on another person.⁷

In Milgram's study, volunteers were assigned to teach a “learner” a series of word association pairs and to administer increasingly intense levels of electrical shock for each mistake. Milgram was surprised with his subject's obedience to authority and he claimed that his subjects were not acting blindly without feeling. Instead they exhibited considerable anxiety caused by conflicts of conscience and sympathy for the learners. They were critical of the study, the experimenter, and the research organization. Nevertheless, they continued to obediently administer shocks.

Power Indicators

Sometimes it is difficult to tell when power is being used. Those who use power typically do not want others to know about it. Indeed, power is most effective when it is not visible. People tend to resist the use of power when they see themselves being influenced contrary to their own desires. However, if the influence attempt appears to be legitimate and rational, we are more willing to comply and subject ourselves to the wishes of others.

Frequently, individuals who are using power fail to recognize what they are doing. They honestly feel that they are exerting rational influence that can be justified for other legitimate reasons than just their own personal wishes. They sincerely think their influence is rational rather than political. There is often considerable disagreement about when power is actually being used.

A good illustration of political versus rational decision making comes from research on university budget allocations. Most department heads, deans, and administrators believe their budgets are determined by rational criteria based upon the relative importance and needs of the different departments. Consequently, some directors were extremely incensed by the suggestion that budget allocations are determined more by political influence than by rational criteria. Nevertheless, the research found that the best predictors of who gets the most money are political variables, especially the number of department members serving on the budget committee or other important university committees.⁸

Five indications that power is being exerted are shown in Exhibit 18.3. To diagnose whether decisions are based on power or reason involves looking for a convergence of these indicators of power.

Exhibit 18.3 Indicators of Power

Indicator	Examples
1. Determinants of power	The capacity to use any of the bases of power: reward power, coercive power, referent power, legitimate power, or expert power. How many of these bases of power does each individual possess?
2. Consequences of power	Budget allocations, win-loss record on debated issues, ability to authorize exceptions to policy, authority to hire and fire others. Since power is used to influence decisions, those with the greatest power should be the ones who obtain the most favorable decision outcomes.
3. Symbols	Size, location, and furnishings of one's office. Invitations to attend social events and seating at those events. Special parking privileges or eating facilities. The use of automobiles or airplanes.
4. Reputation	Comments by others acknowledging one's power. Seeking one's advice. Asking for one's opinion. Requesting that person's endorsement.
5. Representation on committees	The number and status of committee memberships: boards of directors, advisory councils, presidential task forces, and executive committees.

Interpersonal Power

One of the greatest concerns about power is its effects on those who use it. The more people use power, the more they tend to perceive situations in terms of power relationships, and the more they are inclined to use power for their own personal ends. This danger is expressed in the statement "Power tends to corrupt; and absolute power corrupts absolutely." The addictive effects of power have been recognized for many years. Plato was convinced that power would continue to corrupt unless philosophers became ruler and rulers were philosophers.⁹

When is it appropriate to use power? Using one's position to inflict physical or psychological damage on others is an abuse of power; but is it wrong to require employees to perform their jobs the way they agreed when they joined the company? People who adopt political strategies ought to be aware of the moral implications of their behavior. Political activities and the use of power are not necessarily good or bad. Although we typically think political activities are bad because they are defined as the self-serving use of power, the consequences may also be desirable for the organization and society.

A survey of 428 managers provides some interesting insights about their perceptions of political behavior in organizations. Almost 90 percent of them agreed that successful executives must be good politicians and 70 percent agreed that managers have to behave politically to advance their careers. Nevertheless, 55

percent of the managers said that politics in organizations is detrimental to efficiency and almost 50 percent agreed that top management should try to get rid of organizational politics.¹⁰

Five Bases of Power

Where does power come from? Why can some individuals prevail over others in the allocation of resources or in the hiring and promotion of personal friends? In a classic article, John R. P. French, Jr., and Bertram Raven described five bases of power: reward power, coercive power, legitimate power, referent power, and expert power.¹¹

Reward Power. Person A has *reward power* over person B to the extent that A controls desired rewards that B wants. These rewards include any form of incentives, such as pay increases, promotions, desirable job assignments, an opportunity to work overtime, or time away from work. Person B must value the reward and think that A has the ability to either provide it or withhold it.

Coercive Power. Person A has *coercive power* over person B to the extent that A can administer some form of punishment to B. The punishment can be in the form of inflicting pain, such as public humiliation or a physical beating, or it can be administered by removing reinforcers, such as firing an employee, taking a player out of the game, or removing an employee from a training program. The punishment must be important to person B who must also see A as having the ability to administer or withhold it. Coercive power is the opposite of reward power and followers typically comply because of fear.

Legitimate Power. Person A has *legitimate power* over person B to the extent that person A is perceived as having the right to influence person B. Legitimate power is typically based on the formal organizational hierarchy in which superiors have the right to influence subordinates. Legitimate power may also exist outside the organizational hierarchy when the right to influence is prescribed by cultural values. For example, social values say it is legitimate for adults to influence children, and a voting district chairman has the legitimate right to conduct a public mass meeting. Legitimate power can be acquired through assignment, election, or some other form of formal recognition. Subordinates play a major role in the exercise of legitimate power since their compliance is influenced by whether they perceive the use of power as legitimate.

Referent Power. Person A has *referent power* over person B when person B admires the personal qualities, characteristics, or reputation of person A. Referent power has also been called *charismatic power* since allegiance is based on the inner personal attraction of one individual for another. People who are highly admired and respected can exert referent power because other people seek their approval and want to please them.

Expert Power. Person A possesses *expert power* over person B to the extent that person A has knowledge or expertise relevant to a particular problem or situation. To possess expert power a person must be perceived as credible and trustworthy. Person B must believe that person A actually possesses the crucial information and skills. This power is generally limited to specific situations where the information is relevant and needed.

Interactions Among the Bases of Power. The five sources of power are not independent of each other and one base of power can be used effectively to increase the availability of the others. For example, the wise use of reward power can increase your referent power, since people are attracted to those whom they admire and who reward them. In contrast, the use of coercive power tends to decrease referent power for

the same reason – people tend to avoid and dislike those who punish them. Therefore, by properly administering or withholding rewards for legitimate reasons, people can increase their referent power.

Referent power is also influenced by the appropriate use of legitimate power. Because organizational leaders are typically respected, their legitimate power helps to increase their referent power when they perform their jobs competently.

Referent power is also influenced by expert power, since people tend to be impressed by those who possess valuable knowledge and skills. Therefore, to the extent that people have greater knowledge and use it at appropriate times, they are well liked and admired and their referent power increases.

Guidelines have been proposed explaining how managers should use each of these five bases of power to obtain favorable responses.¹² Person B may respond to Person A’s influence with either commitment, compliance, or resistance, depending upon the influence attempt. Commitment means that Person B accepts and is highly motivated to carry out the wishes of Person A. Compliance means that Person B is willing to fulfill Person A’s wishes but only as long as the extra effort and energy are adequately rewarded. Resistance, however, means that Person B opposes Person A’s wishes and will try to deliberately neglect or sabotage the request. The guidelines proposed in Exhibit 18.4 explain how to obtain commitment rather than resistance. These guidelines assume that the goals of employees are in harmony with the goals of the leader and the organization. When the individual’s goals do not match the organization’s goals, the subordinate may or may not comply, depending on whether the supervisor is perceived as genuine and concerned or as arrogant and insulting.

Acquiring Interpersonal Power

People want to have power because of what it allows them to do. Powerful people have quick access to top executives to obtain early information about policy changes, they can hire a talented replacement or reinstate a terminated employee, they can approve expenditures exceeding the budget or grant above-average salary increases for subordinates who are excellent performers. Some individuals clearly receive more than their share of the organization’s resources and they exert greater influence on decisions and activities. Why are some people more powerful than others and how can a person acquire power? Two methods of acquiring personal power are (1) doing the right things and (2) cultivating the right people.¹³

Exhibit 18.4 Guidelines for Using Power

Bases of Power	Guidelines for Use
Reward Power	Verify compliance. Make feasible and reasonable requests. Make only ethical and proper request. Offer rewards desired by subordinates. Offer only credible rewards.

Coercive Power	<p>Inform subordinates of rules and penalties. Warn before punishing. Try to administer punishment consistently. Try to administer punishment uniformly. Understand the situation before acting. Maintain credibility. Fit punishment to the infraction. Punish in private.</p>
Referent Power	<p>Treat subordinates fairly. Defend subordinates' interests. Be sensitive to subordinates' feelings. Select subordinates similar to oneself. Engage in role modeling.</p>
Expert Power	<p>Promote image of expertise. Maintain credibility. Act confident and decisive. Stay informed. Recognize employee concerns. Do not threaten subordinates' self-esteem.</p>
Legitimate Power	<p>Be cordial and polite. Be confident. Delegate clearly with timely follow-up. make certain that requests are appropriate. Explain reasons for requests. Follow proper channels of communication. Exercise power discretely. Enforce compliance with reasonable force. Be sensitive to subordinates' concerns.</p>

Source: Adapted from Gary A. Yukl, *Leadership in Organizations*. ©1981. Used with permission of Prentice-Hall, Inc., Englewood Cliffs, N.J., pp. 44-58.

Doing the Right Things. Many employees are good workers; but methodical and dependable role performance does not necessarily increase one's power. To increase one's power, a person needs to perform activities that are extraordinary, visible, and relevant.

1. *Extraordinary Activities* Routine job performance does not contribute much to personal power even when the performance is excellent. To be truly powerful, people need to perform unusual or non-routine activities that commonly involve an element of risk. Examples of extraordinary activities include negotiating a new contract, developing a new program, or designing a new product.
2. *Visible Activities* Extraordinary activities will not generate much power if no one knows about them. Therefore, the extraordinary activities must be visible to others in the organization, preferably without the individual having to "play his own horn." People who advertise their own extraordinary activities do not gain as much power as those whose activities are announced by top management or influential people outside the organization.

3. *Relevant Activities* Besides being extraordinary and visible, the activities need to be seen as relevant to the mission of the organization or to the solution of important problems. Trivial activities do not produce the same degree of personal power as activities that are central to the survival of the organization.

Cultivating the Right People. In addition to doing the right things, people can increase their personal power by developing informal relationships with the right people. If the interpersonal relationships are properly managed, virtually everyone can contribute to the development of the individual's personal power, including superiors, subordinates, and peers.

1. *Superiors* Higher-level managers can significantly increase an individual's personal power, as suggested by the phrase "It's not what you know but who you know that counts." Superiors who show a special interest and willingness to help a promising subordinate are referred to as *mentors* or *sponsors*. These individuals may be an immediate supervisor or any higher-level officer. They can be extremely helpful in increasing personal power by speaking favorably of subordinates, recommending them for new assignments, and providing introductions to other influential people.
2. *Subordinates* Although it may seem unusual for subordinates to have the capacity to increase their superiors' power, they may indeed play a very significant role by making their superior look good or by endorsing their superiors' views and recommendations. Professors who train brilliant doctoral students and managers who train outstanding new leaders are able to exert greater influence not only because of their reputation as outstanding trainers but also because of their continuing relationships with their former subordinates.
3. *Peers* An individual's personal power can be enhanced or destroyed by favorable or unfavorable relationships with peers. People cannot succeed alone. They depend on the support and cooperation from their peers. An antagonistic relationship with peers can destroy personal power and prevent people from being effective within the organization.

Perpetuating Personal Power

People who have power usually become more powerful because they can manipulate the situation and engage in political strategies to perpetuate their own personal power. Once they have achieved a position of power, most people either intentionally or unintentionally structure the situation so that they increase their control over the outcomes for others.

Some strategies are so subtle that they go unrecognized. Powerful people can enhance their power position through such simple acts as creating new jargon or telling jokes. For example, a study of humor in the workplace revealed how certain group members are more frequently chosen as the target, or butt, of the jokes and how their jokes tend to be rejected.¹⁴ Humor can be used to "keep people in their place." When their jokes are rejected, their ideas and suggestions are also ignored.

Reward power, coercive power, and legitimate power are conferred by the organization. Consequently, maintaining organizationally based power depends largely on continued organizational support. If the organization withdraws support by terminating an individual or refusing to endorse this person's use of rewards and punishment, the person's power may suddenly end.

Individuals whose personal power is based on expert or charismatic power do not depend on the organization for their ability to influence others, and they can use a variety of strategies to help them maintain their power position.

Three conditions are necessary to maintain expert power: maintaining one's expertise, making certain the organization continues to need one's expertise, and avoiding being replaced by other experts. In short, expert power can be maintained only if there is a crucial need for the skills and knowledge of the expert that cannot be conveniently obtained elsewhere.

Charismatic power typically develops when a group of people are feeling uncertainty or anxiety, particularly at a time of crisis, and a leader emerges who provides a sense of direction and inspiration. As long as the crisis continues and the leader can provide inspiration and a sense of mission, the charismatic influence of the leader will be maintained. Once the crisis has ended and operations have returned to normal, however, the power of a charismatic leader will depend on whether the charismatic power has become institutionalized. If so, the leader will remain in power and continue to lead the group.

The story of Fidel Castro illustrates the ability of a charismatic leader to perpetuate his power. In the late 1950s Fidel Castro led a revolution in Cuba as a young charismatic rebel. Today he is still the head of the government and relies heavily on his charismatic power to maintain his position. Castro's success in institutionalizing his charismatic power is a result of his using these four ways for maintaining charismatic power.

1. *Perpetuate the charismatic image.* By emphasizing the symbols associated with the rise of the charismatic leader, the perception of charisma can be maintained. Pictures of Castro are displayed everywhere in Cuba, and his physical appearance is similar to what it was during the revolution—he keeps his beard and continues to dress in battle fatigues.
2. *Controlled interactions with others.* Charismatic leaders are able to set themselves apart from the rest of society and rise above the crowd by controlling their interactions with others and regulating their public contact. Castro is typically seen in controlled settings such as speeches, rites, or ceremonies that allow him to look “presidential.”
3. *Recall past atrocities.* Remembering how bad it used to be helps people think kindly of the charismatic leader. Positive feelings for a charismatic leader are particularly strong when specific negative images of atrocities and injustices are recalled.
4. *Provide a general vision of the future.* By speaking in general terms about the future, a charismatic leader can help people acquire a sense of meaning and direction. If the future is described in only general terms, people can interpret the message consistent with their own specific goals. Believing that the future will be better often helps people endure the frustrations and injustices of the present.

Group And Subunit Power

In examining the issues of power within groups, we are largely concerned with the acquisition of subunit power and the ways in which this power becomes institutionalized or perpetuated. The term *subunit* applies to any organizational department, such as finance, nursing, intensive care, marketing, human resources, research and development, or word processing.

Acquiring Subunit Power

Why can some groups exert greater power than others? Five strategies for acquiring group power are controlling resources, controlling strategic contingencies, coping with uncertainty, being irreplaceable, and being central to the organization.¹⁵

Controlling Resources. The most powerful subunits of an organization are those that control or have the capacity to provide crucial organizational resources. Resource control largely explains the “golden rule of power” – those who have the gold are able to rule. Because they control the resources, they can exert greater influence, and other groups will look to them for direction and respond to their directives. Critical organizational resources include anything of value to the organization, such as money, time, materials, patents, expertise, or market survey information.

A study of the power relationships between the departments of a university found that the most important variable influencing the relative power was the ability to secure outside funds for the university in the form of contracts and research grants.¹⁶ Contracts and research grants are valuable resources to a university, and the department that provided the most resources exerted the greatest influence.

Power differentials between groups are magnified when resources become scarce. When resources are plentiful, groups tend to spend less time maneuvering for an advantageous political position. During lean times, however, weak subgroups are either reduced or eliminated from the organization. Because of their weak power position, weak subunits are perceived as irrelevant and superfluous to the basic mission of the organization.

Control of Strategic Contingencies. Controlling *strategic contingencies* means having control of activities or functions that other subunits depend on. When one department cannot perform its function until another department has done its job, the first part is contingent on the second. For example, the sales department in an engineering company has far more power than their limited expertise and training would suggest in a high-tech organization. In spite of their limited educational background, the sales force yields enormous power because others with more training and expertise cannot perform their function until the sales have been made. Thus, a contingency represents a source of uncertainty in the decision-making process, and a contingency becomes strategic when it has the potential to change the balance of power between subunits in such a way that one unit depends on another.

An example of power derived from controlling strategic contingencies comes from the classic study by Lawrence and Lorsch of the plastics, food processing, and container manufacturing industries.¹⁷ In the most successful firms, power was distributed according to the strategic contingencies for that industry. That is, the units that possessed the greatest power were those units on which other units depended. For example, in the food processing firms, where the strategic contingencies focused on expertise in food sciences and marketing, the major power of the most successful firms rested in the sales and research units. However, in the container manufacturing companies, where the strategic contingencies were customer delivery and product quality, the major power resided in the sales and production staffs. In other words, the departments who held the power in the most successful firms were those units who performed vital functions for the organization in terms of its survival. The subunits that were the most important for organizational success were controlled by the most powerful decision makers. In the less successful firms, however, power was not distributed according to these strategic contingencies.

Ability to Cope with Uncertainty. Subunits are able to acquire power when they have the capacity to help other departments cope with uncertainty or minimize the consequences of uncertainty. For example,

if department A is able to help reduce some of department B's uncertainties, then department A has power over department B. The uncertainty itself does not give power; the power comes from helping another department reduce the uncertainty or cope with it.

A study of two departments in a French factory illustrated how a group of maintenance workers exerted considerable power over the production workers because they controlled the major uncertainty – machine breakdowns.¹⁸ Because the production workers were entitled to employment under French law, one would expect the production workers to exert considerable power over the maintenance people, who were expected to keep the machines in working order. The power relationships, however, were just the opposite of what one would expect. In the routine of the factory, machine stoppages were the only major events that could not be predicted or programmed. Therefore, the production workers were clearly dependent on the salaried maintenance workers, who in their turn were not dependent upon the production workers. Consequently, the maintenance workers not only controlled a strategic contingency within the factory, they also helped the production workers cope with the uncertainties of their jobs.

One subunit can reduce another subunit's uncertainty in a variety of ways. One method is by providing information so the other subunit can predict its future and prepare for change. A second method is to forestall the uncertainty by preventing unwanted events from occurring. Finally, a third method is to absorb the pressures by helping the subunit deal with its problems after they occur.

Irreplaceability. Individuals or departments who provide a crucial resource or perform a vital function and who cannot be readily replaced are able to exert greater power. This power is destroyed by *substitutability*, which refers to the ability of other subunits to perform the activities of a particular subunit. If an organization can obtain alternative sources of skill, information, or resources to perform the job of another subunit, that subunit's power will be diminished. The training department loses its power if training can be provided by line managers, and the computer department loses its power over the accounting department if the accountants know enough computer programming to revise the management information systems.

A strategy for maintaining a subunit's irreplaceability involves monitoring the company's hiring policies to prevent the hiring of individuals with the same scarce skills. If a subunit can maintain a monopoly on certain types of expertise and the capacity to cope with uncertainty, it becomes increasingly irreplaceable and powerful within the organization. For example, studies of the distribution of power in hospitals indicate that physicians gain their power because they are perceived to be irreplaceable. Nurses, however, are not irreplaceable; but their power comes from reducing uncertainty and from being central to the work of the hospital.¹⁹

Centrality. Subunits that are the most central to the workflow in an organization typically acquire the greatest power. Although all of the subunits are interdependent, some subunits contribute more directly to the final output of the organization and therefore have greater *centrality*. The power that comes from centrality was discovered in some of the earliest communication network experiments. In the wheel structure, for example, the person in the center who communicated with each of the other members was the one who occupied the most central role and was usually perceived as the leader of the group and the most powerful figure. This individual's power stemmed largely from being able to control the flow of information throughout the group. Subsequent research on technological gatekeepers, those who control the flow of crucial technological information in an organization, has shown that these people have great power within the organization. Physical centrality can be just as important as work flow centrality in increasing a subunit's power.

Institutionalizing Subunit Power

The power structure in most organizations is fairly constant over time because powerful subunits can do many things to maintain their supremacy even though the people change. Studies of power usually find that the best predictor of which subunit will emerge as the most powerful during times of change is the amount of power it had before the change.²⁰ Power relationships in organizations can be perpetuated by maintaining the subsystem relationships and the organizational culture that support the current power positions. Four of the best ways to institutionalize power come from controlling the organization's business strategy, controlling the selection of new personnel, controlling who gets promoted, and controlling training and socialization activities.

Influencing Strategy. Powerful subunits can use their power to keep the organization focused on critical contingencies that they control. For example if the marketing department is the most powerful subunit, it may decide to block the acquisition of a new company that would give greater power to the finance department or to oppose the development of a new product that would transfer power to the engineering department.

Personnel Selection. By defining the selection criteria and controlling the hiring of new applicants, powerful subunits can increase their relative power within organizations. If one department succeeds in acquiring the best and brightest new employees, the status and power of that department increases.

Personnel Promotion. Unless the organizational culture changes, it is difficult for power to shift to other subunits, and the culture is not likely to change if the values and perspectives of people at the top stay the same. Securing employees who have the right perspective can be controlled by influencing the advancement and promotion policies. Even if an error is made by selecting the wrong person, it can be corrected by passing over for promotion the person who failed to meet expectations. If those who are in powerful positions can succeed in defining both the required competence and the right perspective, they can protect their power position and reinforce the present power structure. Individuals who rock the boat by challenging those in power can be kept in lower-level positions or transferred to a weak subunit.

Training and Socialization. Training activities instill important values and expectations in employees. New employee orientation programs are particularly crucial in the socialization process, when new employees learn which behaviors and attitudes are acceptable to the organization. Because of their position, powerful subunits are better able to control the content of training and present their interpretation of the topics. Consequently, the norms and values transmitted through organizational training programs tend to reflect those of the key power groups. For example, in a manufacturing company whose safety department was the most powerful subunit, a major part of the new employee orientation and other training programs emphasized the importance of safe operating procedures.

Organizational Politics

Organizational politics refers to activities in organizations designed to acquire, develop, or use power in a conscious way to obtain one's preferred outcomes or to manipulate a situation for one's own purposes. Individuals and subunits who want to exert political influence can select from a fairly long list of political strategies. Which strategy is the most effective depends on the situation.

Political Strategies

Suppose a company was trying to decide which one of five new products it should develop. If the marketing vice president has a clear preference for one product over the others, a variety of political strategies are available to this vice-president to make certain that the preferred product is the one selected.

Control the Agenda. Committee decisions depend not only on the opinions of the members but also on whether the committee has time to make a decision. Decisions can be stalled by removing items from the agenda, or they can be manipulated by placing them at the beginning or end of the agenda. The items at the beginning of an agenda are typically discussed in greater detail, allowing greater tolerance for ambiguity and broader consideration of empirical information than items placed at the end of an agenda. Many items at the end of the agenda are either superficially decided or completely overlooked.

Select the Decision Criteria. Decision making can be manipulated by changing the criteria. In any decision-making situation, multiple criteria are available for assessing alternatives. Rather than arguing for one's preferred alternative, a more effective political strategy is to simply suggest that the decision should be based on the criteria favoring the preferred alternative.

Control Access to Information. Information is a powerful weapon in a fight for power, and those who have access to information or who have the capacity to filter or manipulate information can often succeed in controlling decisions. Sales projections, salary information, quality reports and many other items of information are frequently treated as confidential information to increase the political power of those possessing the information. Although information may be intentionally manipulated as a political power strategy, it can also occur innocently. Through the process of selective perception, people show differential attention to and retention of facts that favor their position on an issue. In an early study of a company's decision to purchase a computer, it was found that people selectively collected and used information in the decision-making process that provided support for the decision that they already favored.²¹ The processes of selective perception and manipulation of information are illustrated by a remark attributed to Peter Drucker that anyone over age 21 should be able to find enough facts to support his or her position.

Use Outside Experts. Outside experts can usually be found to support any point of view, regardless of the issue. Therefore, individuals can influence the outcome of the decision by carefully selecting the right outside expert and providing a forum for that individual to express an opinion. The use of outside experts as a political strategy is particularly obvious in jury trials, where the names and reputations of the experts are more important than the substance of their testimony.

Control Access to Influential People. Many great ideas and quality suggestions are killed or ignored because they never reach the people who have the capacity to do anything with them. New ideas often rock the boat and threaten people's jobs. Middle managers often succeed in preventing lower-level members from submitting creative ideas or constructive criticisms by preventing them from communicating with top management. Being able to communicate regularly with members of top management increases one's ability to use power, whether the interaction comes from a scheduled meeting, a weekly game of golf, or commuting to work together.

Form a Coalition. When groups of people discover they lack the power to influence the decision process, they can increase their power by forming a coalition with other groups. Coalitions are typically formed to maximize the rewards or outcomes to the group and its members. Therefore most coalitions are comprised of the minimum number of members required to achieve a successful decision. Coalitions tend to be unstable and temporary unless there are philosophical or ideological commonalities that keep the parties together.

Co-opt the Opposition. The strategy of co-opting is similar to the strategy of forming a coalition. However, **co-optation** generally refers to an enduring relationship rather than a temporary alliance of a coalition. Co-opting occurs, for example, when a subunit asks a local critic to join their group and work with them in solving their problems. School systems, hospitals, and other civic organizations use a co-opting strategy of placing influential citizens on their board of directors as a conscious strategy of reducing their uncertainty and minimizing outside criticism.

Manipulate Symbols. Politics, either in organizations or in government, has a language of its own that is designed to rationalize and justify decisions by using the appropriate symbolic labels. Without this legitimization, the exercise of power would be unacceptable and would create resistance. If people use the appropriate language and symbols when their decisions are made on the basis of power, their decisions can often be made to appear as though they resulted from rational decision making.

The “right to work” section of the Taft-Hartley Act (1947) illustrates the power of a label. Section 14b of the Taft-Hartley Act allows states to pass a law guaranteeing workers the right to refuse to join a union even though the majority of the workers vote in favor of it. This section has been labeled the “right to work” which portrays the idea of personal rights and freedom. Union leaders complain that this law allows workers to refuse to join the union even though they benefit from the negotiations and sacrifices of their co-workers. It is doubtful that the “right to work” provision would enjoy the same degree of popularity if it carried a negative label, such as the “freeloader bill.”

Use Interpersonal Manipulation. Perhaps the most blatant political strategy is when people directly pursue their goals through persuasion, manipulation, or ingratiation. Persuasion is an overt attempt to influence others by asking for cooperation and by providing information that supports the request. There is no effort to conceal the intentions of the persuader, and for the most part, the information is considered accurate.

There is an important difference between persuasion and manipulation. Both involve the presentation of information designed to obtain one's desired goal. In manipulation, however, the intent of the person is concealed from the other person and crucial information is either distorted or withheld to influence the decision.

Ingratiation is a form of interpersonal manipulation that is accomplished through flattery and a display of sincerity. Flattery is a form of positive reinforcement designed to alter the target person's perception of the flatterer. The most direct form of ingratiation is when person A goes to person B and makes flattering comments. However, the effectiveness of this strategy is limited, because person B may be skeptical of person A's motives. A more effective strategy is for person A to make flattering comments about B to someone else who could be expected to report the comments back to B. Flattering comments by person A do not create suspicion if they come through person C.²²

Influence Strategies

Managers can exert power in three directions: on their subordinates, on their superiors, and on their peers. To effectively use power, managers need to know how to exert influence in all three directions.²³

Influencing Subordinates. Because supervisors have the legitimate right to hire, fire, and discipline subordinates, we often overestimate the power of supervisory jobs. What we typically overlook is the power that subordinates *as a group* have over their bosses. Subordinate power comes in many forms and is based on (1) skills that are difficult to replace quickly or easily, (2) specialized information and

knowledge that others do not have, (3) good personal relationships that prevent a supervisor from reprimanding or replacing a subordinate without alienating other employees, and (4) the centrality of the subordinate's job, which may be crucial to the performance of the supervisor's job.

The combination of these factors creates a situation in which the power of the subordinates is greater than the power of the supervisor despite the formal power that comes from the organization. Consequently, supervisors need to expand their power base beyond the legitimate power conferred by the organization. Effectively leading subordinates demands that supervisors bring additional sources of power to the job. The following suggestions have been made for supervisors to increase their clout during their early tenure as supervisors.

1. *Acquire the relevant interpersonal skills and abilities.* Being a good supervisor and successfully exerting power requires good interpersonal skills, persuasiveness, and the ability to identify and resolve conflicts quickly. Good verbal skills in listening and communicating are essential for influencing subordinates.
2. *Establish good working relationships.* Good working relationships are based on a combination of respect, admiration, obligation, and friendship. To be perceived as effective and a credible source of influence, supervisors need to maintain good relationships not only with subordinates but with superiors and others outside the chain of command.
3. *Acquire information.* Knowledge is power, but the most important knowledge in leadership jobs is detailed information about the social reality in which the job is embedded. Supervisors need to know who the relevant parties are, their different perspectives, and when these perspectives may be in conflict.
4. *Maintain a good track record.* Being perceived as a successful supervisor contributes to the supervisor's power position. A credible track record and the reputation it earns can help a supervisor obtain compliance in a fraction of the time that is required if credibility is lacking. Success breeds success, and the successful application of power in one situation increases the supervisor's potential power for the next occasion.

Influencing Superiors. Successful employees need an effective boss to provide them with the necessary job opportunities, resources, organizational protection, and job security. Although we typically think of power being exerted downward in an organization, it is equally important for subordinates to effectively exert power upwards. To obtain sufficient resources, support, and encouragement, subordinates must develop and maintain good working relationships with their superiors. The following principles have been suggested for developing good relationships with superiors and exerting upward influence.

1. Creative, competent subordinates take some of the load off of their boss's shoulders. Effective subordinates solve problems rather than create them, and whenever possible they bring good news of successful solutions to the boss rather than failures and problems.
2. Change your boss's bad behavior with rewards. Catching your boss doing something good and rewarding this behavior is far more effective than criticizing or complaining. If your boss has traits you would like to change, reward positive behavior with thanks or sincere praise.
3. Look beyond the boundaries of your job description to let others benefit from your ideas and efforts. Bosses enjoy being told by outsiders that they have an exemplary subordinate. Take

advantage of opportunities outside work to make yourself visible and manage your own public relations without devoting too much time and effort to it.

4. Recognize your boss's weaknesses and let them be your strengths. If the boss hates to attend meetings, offer to go instead and give a briefing later. If the boss hates to write reports, be a ghost writer and prepare a first draft. If the boss relates badly with certain people, perform those functions yourself that entail meeting these people. By becoming a representative of your boss, you will be given the knowledge and stature to do so properly.
5. Maintain a good working relationship by keeping the boss informed, behaving dependably and honestly, and using the boss's time and resources very selectively. Subordinates who are undependable or dishonest or who waste their boss's limited time and energy are certain to destroy their relationship with their boss.

Influencing Peers. Almost everyone depends on people outside the formal chain of command and our success is influenced by how well we manage these outside relationships. Being able to influence one's peers often means the difference between effective and ineffective performance. Four suggestions have been offered for managing peer relationships.

1. Identify all of the relevant lateral relationships both inside and outside the organization.
2. Assess who among these people may resist cooperation, why, and how strongly.
3. Develop wherever possible a good relationship with these people to facilitate the communication, education, and negotiation processes required to reduce or overcome resistance. A good working relationship requires dependability and reciprocity from both parties.
4. When a good working relationship cannot be developed, some additional type of power intervention that is more subtle and more forceful should be developed to deal with the resistance.

Discussion Questions

1. What are the determinants of personal power and how can you increase your personal power? If you were the secretary of a pre-professional student club, such as the dental club, what could you do to increase your personal power?
2. Subunits within an organization can increase their power by controlling strategic contingencies. Choose an organization and identify which strategic contingencies are being controlled by which subunits and with what effect.
3. If you were a member of a graduate school admissions committee and you wanted to admit a friend who had inferior grades and test scores what political strategies could you use and how would you use them? Which strategies would make the other committee members not only agree but think they had made the best possible decision?
4. How can you manage your boss? Describe one of your leaders or supervisors and explain what you can do to increase your power position relative to this person.

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