CHAPTER

9

POWER AND POLITICAL BEHAVIOR

LEARNING OBJECTIVES

When you have finished studying this chapter, you should be able to:

1. Explain the concept and dynamics of organizational power.
2. Describe the interpersonal sources of power.
3. Discuss the main categories of structural sources of power.
4. Discuss effective and ineffective uses of power.
5. Explain the concept of organizational politics and diagnose personal and situational factors that contribute to political behavior.
6. Describe some personality dimensions that are related to political behavior.

PREVIEW CASE

RONALD SZOC LEARNS ABOUT POWER AND POLITICS

Ronald Szoc is senior vice president at Ruesch International, Inc., a Washington-based currency trading firm. He can still remember his first, important lesson in office politics—which he learned the hard way.

His lesson in power and political behavior came while he was part of a small consulting group at Westinghouse Electric Corporation. The consulting group consisted of the director and just six employees. Szoc remembers that the six of them all felt that the director was doing a poor job. The group planned a "coup" to bring this fact to the attention of the director's superiors and have him replaced with someone more to their liking. As luck would have it, word of their planning reached corporate headquarters prematurely. Three management representatives from headquarters flew to Evanston, Illinois, where the consulting arm was located and asked to meet with the six employees at a local hotel.

Szoc recalls, "Discussions were brief. We were told in no uncertain terms: We don't care how you feel. We don't care whether or not you think the director is doing a bad job. He's critical to the operations of your group because of his background, experience, and reputation. Without him, there is no group. Do you understand what we are telling you? Do you have any questions?"

For more information on Ruesch International, Inc., and Westinghouse Electric Corporation, visit their home pages at ***www.ruesch.com*** *and* ***www.westinghouse.com***.

Szoc remembers the experience as an epiphany. "For the first time, I understood something very important about organizations. I thought: This is not about questions of truth or efficiency or productivity. I realized that there was a political dimension to organizational life."[1]

In this chapter, we focus on power and political behavior in organizations. People often are uncomfortable discussing the concepts of power and organizational politics. Both terms carry emotional, often negative, implications. We argue that this should not be the case; these labels are simply descriptive terms that apply to certain aspects of the behavior of people in organizations. Managers and employees need to be aware of power and political behavior in order to understand organizational behavior fully.[2]

Certainly, people can use power in unfair or harmful ways. Likewise, political behavior can be unproductive for an organization. Managers and employees must try to avoid such outcomes, but they cannot change reality by refusing to accept the existence of power differences or political behavior. In this chapter, we discuss the nature of power, the sources of power in organizations, and the effective and ineffective uses of power. We also explore political behavior in organizations, including the relationships between personality and political behavior.

Learning Objective:

1. Explain the concept and dynamics of organizational power.

POWER

Power is the capacity to influence the behavior of others.[3] The term *power* may be applied to individuals, groups, teams, departments, organizations, and countries. For example, a certain team within an organization might be labeled as powerful, which suggests that it has the ability to influence the behavior of individuals in other teams or departments. This influence may affect resource allocations, space assignments, goals, hiring decisions, and many other outcomes and behaviors in an organization. At Lockheed Martin, engineering departments are powerful; at Microsoft, software designers are powerful; at 3M, research and development people are powerful; and at Mary Kay, marketing people are powerful. We explore the reasons for power differences in organizations shortly.

People continually attempt to influence the behavior of others in the normal course of everyday living. For example, people quite naturally attempt to reinforce the pleasing or satisfying behaviors of family members and friends. Also, people often attempt to punish undesirable behavior (perhaps in very subtle ways) so that it will not be repeated. The behaviors of people at work are no different in this respect than the behaviors of people in general.

Power is a social term; that is, an individual has power in relation to other people, a team has power in relation to other groups, and so on. Thus the concept of power characterizes interactions among people—more than one person must be involved for the concept to have meaning. Further, power is never absolute or unchanging. It is a dynamic relationship that changes as situations and individuals change. For example, a manager may strongly influence the behavior of one subordinate but, at the same time, only marginally influence another. Managers may be powerful with respect to their own subordinates, yet be unable to influence the behaviors of employees in other departments. In addition, relationships change with time. Last month's successful influence attempt may fail tomorrow, even though the same people are involved in both situations.

Power relationships are the medium within which business is conducted. People often take these relationships for granted, but when they shift, everything changes. Some of the most basic power relationships in our society are changing.[4] Several of these power shifts may be described as follows.

- *From employers to employees.* The notion that employers are in charge of the employment relationship is one of our most deeply rooted assumptions about work. People "apply" for a job. If lucky, they are "granted" an interview. Prospective employees "receive an offer." These and other common expressions imply that employers, not employees, have the power. But for a great many organizations, it just isn't that way anymore. Employees in many fields are increasingly calling the shots. When managers and executives are asked what they're worried about, attracting top talent is typically near the top of the list. Companies are desperate for good people. In some industries, including computer firms and design firms, students are being offered signing bonuses and recruited much earlier in their college careers than was previously the case. Observers have described this behavior on the part of employers as quite similar to that exhibited by professional sports teams as they attempt to recruit top athletes who are free agents.

- *From large companies to medium-sized companies.* Some experts think that the advantages of size are fading and that giant companies will eventually be regarded as a historical phenomenon. Large companies, such as Wal-Mart or General Motors, can take advantage of economies of scale. However, in an economy based on information rather than on tangible products, economies of scale in manufacturing are less valuable than they used to be. With the costs of computing power and telecommunications rapidly falling, vast networks of human beings also are less of an advantage. For many sectors of the economy, particularly those based on information, medium-sized companies will be more competitive than huge firms, as they can make and act on decisions much more quickly.
- *From big government to the private sector.* Huge governments, like huge corporations, may be a historical phenomenon as well. Observers argue that private enterprise has regained the initiatives and power that had previously been shifted to governments around the world. A worldwide wave of privatization and deregulation has transformed societies in Eastern Europe and the former Soviet Union. Somewhat less dramatically, and also less noticed, deregulation has also been significant in countries such as Britain, Chile, Sweden, and the United States.
- *From management to shareholders.* With regard to the practical exercise of power, CEOs have been in control for decades because stock ownership of firms has been too widely dispersed for shareholders to wield much power. However, share ownership is increasingly concentrated in the hands of institutions (investment firms, mutual funds, and the like). These institutions expect and demand increases in shareholder value. CEOs who fail to deliver are seeing members of their boards of directors being replaced, their stock options being voted down, and themselves being fired.

The Managing Change Competency feature on page 268 further illustrates the dynamic, changing nature of power in corporate America.

The terms *power* and *authority*, although closely related, do not mean the same thing. **Authority** is power legitimated by (1) being formally granted by the organization and (2) being accepted by employees as being right and proper.[5] The most obvious organizational example is the superior–subordinate relationship. An organization has a formal authority structure with individuals, teams, departments, and divisions being charged with responsibility for certain activities and functions. When individuals join an organization, they generally recognize the authority structure as legitimate; that is, employees accept the manager's right to set policy and give direction. So long as directives are reasonable and related to the job, employees generally obey them. Authority is narrower in scope than power and applies to fewer behaviors in an organization.

In addition to exercising authority, an individual or team may be able to influence the behavior of other people in an organization for many other reasons. In general, power sources in an organization may be categorized as (1) interpersonal and (2) structural, as shown in Figure 9.1.

Learning Objective:

2. Describe the interpersonal sources of power.

INTERPERSONAL SOURCES OF POWER

Power issues in organizations often focus on interpersonal relationships between managers and subordinates, or leaders and followers. French and Raven identified five interpersonal sources of power: reward power, coercive power, legitimate power, expert power, and referent power.[6]

COMPETENCY: MANAGING CHANGE

REVENGE OF THE NERDS

Until recently, employers typically didn't consider that middle managers had much real power in organizations. Middle managers have been described as the "dray horses of business, yoked up to companies for the long haul." Their duties were often considered relatively easy to perform—conveying information up and down the hierarchy, monitoring subordinates and the environment, and controlling routine tasks and operations.

In the early 1990s, there was a "middle-management recession" in the United States. Many companies decided that their excess baggage was not production workers, but rather middle managers and, as a consequence, millions of them lost their jobs. Some employers also concluded that the information revolution coupled with new forms of organization meant that many middle managers wouldn't be needed in the future. Things had never looked more dismal for the middle manager—powerless, unwanted, and unneeded.

Amazingly enough, this power relationship between employers and middle managers has undergone a dramatic reversal in a very short time. Alan Schonberg, president of Management Recruiters International, a Cleveland search firm says, "There is higher demand for middle managers today than I have seen in my 33 years in the business. There are more middle-management job openings than there are people to fill them. The middle-manager job candidate has so many options that he has power over the employer."

How did this shift in power come to be? The answer, in part, is that many organizations overdid middle management cuts. Organizations typically make two mistakes during downsizing: (1) They wait too long to act so that the numbers of people let go are larger than they would be if they had acted earlier; and (2) regardless of timing, they tend to overreact and reduce employment further than they should. Now, many firms have far fewer middle managers than they need and are frantically having to rehire them in large numbers.

In addition, the strong trend toward organizing work around teams and projects has increased, rather than decreased, the opportunities for middle managers to play key roles in organizations. Not all middle managers can adapt to the new roles, which in some respects seem very different from the traditional middle-management job. However, the work experience of many middle managers has prepared them well for the cross-functional and across boundary aspects of team leadership in the organization of the future. And, to their chagrin, many organizations have discovered that managers who can effectively play these roles are in short supply.[7]

For more information on Management Recruiters International, visit this organization's home page at ***www.BrilliantPeople.com.***

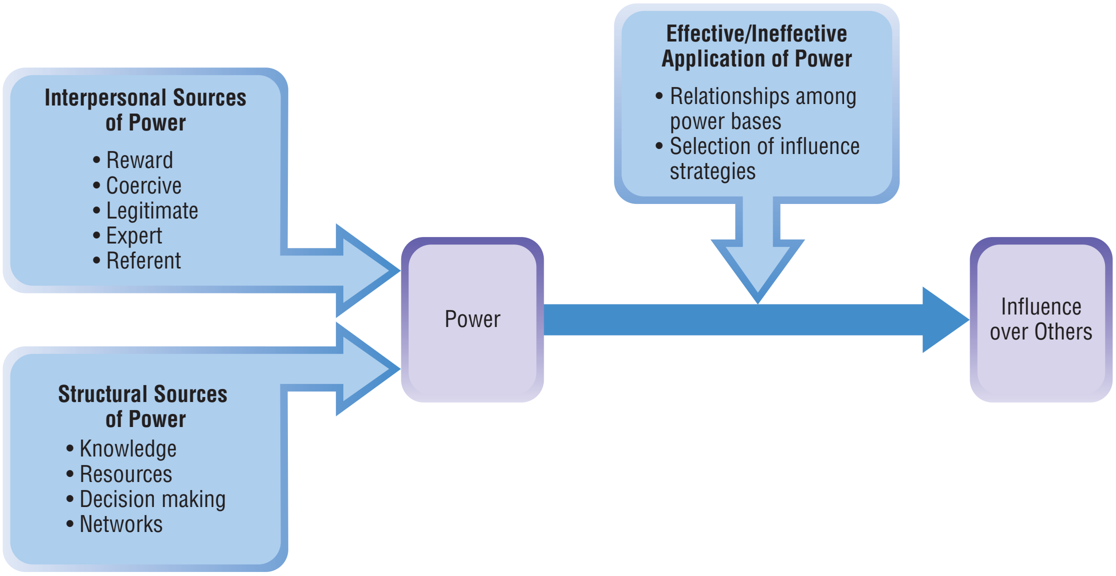
REWARD POWER

Reward power is an individual's ability to influence others' behaviors by rewarding their desirable behaviors. For example, to the extent that subordinates value rewards that the manager can give—praise, promotions, money, time off, and so on—they may comply with requests and directives. A manager who controls the allocation of merit pay raises in a department has reward power over the employees in that department. Accordingly, employees may comply with some attempts by managers to influence their behaviors because they expect to be rewarded for their compliance.

COERCIVE POWER

Coercive power is an individual's ability to influence others' behaviors by punishing their undesirable behaviors. For example, subordinates may comply because they

Figure 9.1 **Sources of Power in Organizations**



expect to be punished for failure to respond favorably to managerial directives. Punishment may take the form of reprimands, undesirable work assignments, closer supervision, tighter enforcement of work rules, suspension without pay, and the like. The organization's ultimate punishment is to fire the employee.

Recall, however, that punishment can have undesirable side effects (see Chapter 4). For example, the employee who receives an official reprimand for shoddy work may find ways (other than the obvious one the organization wants) to avoid the punishment, such as by refusing to perform the task, falsifying performance reports, or being absent frequently.

Legitimate Power

Legitimate power most often refers to a manager's ability to influence subordinates' behaviors because of the manager's formal position in the organization. Subordinates may respond to such influence because they acknowledge the manager's legitimate right to prescribe certain behaviors. Sometimes nonmanagerial employees possess legitimate power. For example, a safety inspector at Lockheed Martin Vought's plant in Camden, Arkansas, has the legitimate power to shut down production if there is a safety violation, even if the plant manager objects.

Legitimate power is an important organizational concept. Typically, a manager is empowered to make decisions within a specific area of responsibility, such as customer service, quality control, marketing, or accounting. This area of responsibility, in effect, defines the activities for which the manager (and sometimes other employees) can expect to exercise legitimate power to influence behavior. The farther that managers get from their specific areas of responsibility, the weaker their legitimate power becomes. Employees have a **zone of indifference** with respect to the exercise of managerial power.[8] Within the zone of indifference, employees will accept certain directives without questioning the manager's power, and the manager may have considerable legitimate power to influence subordinates' behavior. Outside that zone, however, legitimate power disappears rapidly. For example, a secretary will type letters, answer the phone, open the mail, and do similar tasks for a manager without question. However, if the manager asks the secretary to go out for a drink after work, the secretary may refuse.

The manager's request clearly falls outside the secretary's zone of indifference. The manager has no legitimate right to expect the secretary to comply.

Expert Power

Expert power is an individual's ability to influence others' behaviors because of recognized competencies, talents, or specialized knowledge. To the extent that managers can demonstrate competence in implementing, analyzing, evaluating, and controlling the tasks of subordinates, they will acquire expert power. Expert power often is relatively narrow in scope. For example, a team member at Overhead Door Company might carefully follow the advice of her team leader about how to program a numerically controlled lathe, yet ignore advice from the team leader regarding which of three company health plans she should choose. In this instance, the team member is recognizing expertise in one area while resisting influence in another. A lack of expert power often plagues new managers and employees. Even though a young accountant might possess a great deal of knowledge about accounting theory and procedures, that expertise must be demonstrated and applied over time to be recognized and accepted. Similarly, employees or managers from underrepresented groups may have difficulty getting their expertise recognized by others, as illustrated by the following incident.

> The head of a large division of a multinational corporation was running a meeting devoted to performance assessment. Each senior manager stood up, reviewed the individuals in his group, and evaluated them for promotion. Although there were women in every group, not one of them made the cut. One after another, each manager declared, in effect, that every woman in his group didn't have the self-confidence needed to be promoted. The division head began to doubt his ears. How could it be that all the talented women in the division suffered from a lack of self-confidence?[9]

An assessment indicated that the firm, in fact, had many promotable women. The managers conducting the performance appraisal sessions had failed to recognize the knowledge and potential of their female subordinates. The reason, in part, involved lack of appreciation for differences in men's and women's interpersonal and communication styles, approaches to problem solving, and the like.

Referent Power

Referent power is an individual's ability to influence others' behaviors as a result of being respected, admired, or liked. For example, subordinates' identification with a manager often forms the basis for referent power. This identification may include the desire of subordinates to emulate the manager. (See Chapter 12 for an explanation of how this source of power is related to charismatic leadership.) A young manager may copy the leadership style of an older, admired, and more experienced manager. The older manager thus has some ability—some referent power—to influence the behavior of the younger manager. Referent power usually is associated with individuals who possess admired personality characteristics, charisma, or a good reputation. Thus it often is associated with political leaders, movie stars, sports figures, or other well-known individuals (hence their use in advertising to influence consumer behavior). However, managers and employees also may have considerable referent power because of the strength of their personalities. Meg Whitman, CEO of eBay, and Herb Kelleher, CEO of Southwest Airlines, use their referent power to motivate employees to achieve their organization's goals.

Relationships Among Power Sources

Managers and employees alike possess varying amounts of interpersonal sources of power. As implied by Figure 9.1, these sources don't operate independently. A study conducted in two paper mills provides an example of how power sources are related.[10] One of the mills dropped an incentive pay plan based on performance in favor of a pay plan based strictly on seniority. Compared to the second plant, which retained the performance system, subordinates' perceptions of the use of various sources of power by supervisors in the first plant changed noticeably. Discontinuing the incentive plan lowered the perceived reward power of supervisors, as might be expected, but other results were more complex. Perceptions of supervisors' use of punishment increased (attributable perhaps to less control over rewards). The perceived use of referent and legitimate power decreased, but expert power appeared to be unaffected. These findings suggest that the interpersonal sources of power that influence behavior are complex and interrelated.

The ways in which managers and employees use one type of power can either enhance or limit the effectiveness of power from another source. For example, managers who administer rewards to subordinates also tend to be well liked and seem to have greater referent power than managers who don't give out rewards. However, the use of coercive power can reduce referent power. The threatened or actual use of punishment appears to reduce liking or admiration, leading to a reduction in referent power. Further, employees often view managers who possess knowledge valuable to them as having greater legitimate power in addition to having expert power.

These five sources of interpersonal power may be divided into two broad categories: organizational and personal. Reward power, coercive power, and legitimate power have organizational bases; that is, top managers can give to or take away from lower level managers or others the right to administer rewards and punishments. The organization can change employees' legitimate power by changing their positions in the authority hierarchy or by changing job descriptions, rules, and procedures. Referent power and expert power, however, depend much more on personal characteristics—personality, leadership style, and knowledge—brought to the job. In the long run, the organization may influence expert power by, for example, making additional training available. But the individuals determine how they use that training, that is, the extent to which they apply the new knowledge. Workplace studies often show that personal sources of power (expert and referent power) are more important than organizational sources (legitimate, reward, and coercive power). We do not argue that these organizational sources are unimportant; however, we do believe that careful selection and proper training are important to supervisory and managerial effectiveness.

Learning Objective:

3. Discuss the main categories of structural sources of power.

STRUCTURAL SOURCES OF POWER

Certainly, much of the interest in organizational power tends to focus on the power of managers over subordinates. However, an additional crucial perspective is that the characteristics of a situation also affect or determine power. Situational characteristics include the design of the organization, the type of departmental structure, the *opportunity* to influence, access to powerful individuals and critical resources, the nature of the position an individual holds, and so on.[11] For example, the power associated with a particular position or job is affected by its visibility to upper management and its importance or relevance with respect to the organization's goals or priorities. Table 9.1 contains some examples of position characteristics that determine relative power within an organization. Note that, whereas the legitimate power previously discussed applies primarily to managerial positions, the characteristics described in Table 9.1 are relevant for both managerial and nonmanagerial positions.

Structural and situational sources of power reflect the division of labor and position in different teams and departments. Work assignments, locations, and roles naturally result in unequal access to information, resources, decision making, and other people. Any of an almost infinite variety of specific situational factors could become a source of power in an organization. Important structural sources of power include knowledge, resources, decision making, and networks.

Table 9.1 Position Characteristics Associated with Power

CHARACTERISTIC	DEFINITION	EXAMPLE
Centrality	Relationship among positions in a communication network	More-central positions will have greater power.
Criticality	Relationships among tasks performed in a workflow process	Positions responsible for the most critical tasks will have more power.
Flexibility	Amount of discretion in decision making, work assignments, and so on	More-autonomous positions will have more power.
Visibility	Degree to which task performance is seen by higher management in the organization	More-visible positions will have more power.
Relevance	Relationship between tasks and high-priority organizational goals	Positions most closely related to important goals will have more power.

Source: Adapted from Whetten, D. A., and Cameron, K. S. *Developing Managerial Skills*, 4th ed. Reading, Mass.: Addison-Wesley, 1998, 238.

Knowledge as Power

Organizations are information processors that must use knowledge to produce goods and services. The concept of **knowledge as power** means that individuals, teams, or departments that possess knowledge crucial to attaining the organization's goals have power. Those in a position to control information about current operations, develop information about alternatives, or acquire knowledge about future events and plans have enormous power to influence the behaviors of others. Thus certain staff and support activities—a data processing center, for example—sometimes seem to have influence disproportionate to their relationship to the organization's goals and main activities.

Personal computers and computerized workstations are having a dramatic impact on the access to and use of information—and thus on power relationships—in many organizations. Information is now widely available to many more employees than in the past. Greater access to information tends to flatten the hierarchy and make hoarding information by individuals and departments more difficult. Further, computer networks provide employees with information that previously was available only to management. Information sharing has important implications for the quality of decision making and other aspects of performance. The extensive use of computer networks is spreading and presenting management with both opportunities and challenges. An example of such changes is presented in the Managing Across Cultures competency feature on the next page.

Some experts now claim that intellectual capital is corporate America's most valuable asset. **Intellectual capital** represents the knowledge, know-how, and skill that exists in an organization.[12] This intellectual capital can provide an organization with a competitive edge in the marketplace. However, perhaps because knowledge is power, sharing of information doesn't come easily at some firms. A study at Price Waterhouse found that some junior employees wouldn't share information on the computer network because of the firm's intensely competitive culture.[13] Computer networks can create a flatter, more democratic organization as they are doing in Africa. But that will happen only if such organizational changes are supported by top management and a compatible organizational culture.

Competency: Managing Across Cultures

Workplace Democracy in Africa

In African firms there has long been a very traditional view concerning access to information. Historically, information was shared only with those deemed trustworthy who could be counted on not to misuse the information. For example, salary information and the differential benefits available to management and labor have been jealously guarded secrets. The gap, in terms of education and skill level, between management and other employees in African firms has been the widest in the world. This gap probably contributed to the widespread notion in African firms that only managers (and sometimes just the highest level managers) could be entrusted with meaningful information about the organization.

However, the very nature of the employment relationship is changing within African organizations, according to Patrick Deale, a partner with SPA Consultants in South Africa. There has been a shift from authoritarianism and paternalism to greater employee participation and consensus-oriented management. This shift is being fueled by two developments: (1) the transformation to political democracy in many African countries is leading to a greater emphasis on "workplace democracy"; and (2) as in more advanced economies, the increased use of sophisticated information technologies is making information available to "rank-and-file" employees in Africa as well.

Eskom, Africa's largest producer of electricity, provides a good example of an organization in which information sharing with employees has begun. As a matter of corporate philosophy, Eskom is seeking to introduce a work culture characterized by maximum information sharing and meaningful participation in decision making by all employees to the extent practicable. Eskom's goal is to provide employees at the lowest levels of the organization with the skills, access to information, and time to participate fully in decisions that affect their work. Computer networks, as well as expanded training opportunities, will be essential if Eskom is to achieve its vision of information sharing and workplace democracy.[14]

For more information on Eskom, visit this organization's home page at ***www.eskom.co.za.***

Resources as Power

Organizations need a variety of resources, including human resources, money, equipment, materials, supplies, and customers, to survive. The importance of specific resources to a firm's success and the difficulty of obtaining them vary. The concept of **resources as power** suggests that individuals, teams, or departments who can provide essential or difficult-to-obtain resources acquire power in the organization. Which resources are the most important depends on the situation, the organization's goals, the economic climate, and the goods or services being produced. The old saying that "he who has the gold makes the rules" sums up the idea that resources are power.

Decision Making as Power

Decisions in organizations often are made sequentially, with many individuals, groups, or teams participating (see Chapter 14). The decision-making process creates additional power differences. The concept of **decision making as power** recognizes that individuals, teams, or departments acquire power to the extent that they can affect the decision-making process. They might influence the goals being developed, premises being used in evaluating an issue, alternatives being considered, outcomes being projected, and so on. For example, Southern California Edison uses a technique known as *scenario planning* to develop strategic plans for the future of the electric utility. Scenario planners might look ahead 10 years and develop a dozen possible versions of the future—another Middle East oil crisis, heightened environmental concerns, an economic boom in southern California, a major recession, and so on. Each scenario has implications for needed capacity, investment funds, human resources, and the like. The individuals and departments involved in scenario planning at Edison wield considerable influence, regardless of whether they make the final decisions about resource allocations.

The ability to influence the decision-making process is a subtle and often overlooked source of power. Decision-making power doesn't necessarily reside with the final decision maker in an organization. A powerful machine politician in New York City once reportedly said, "I don't care who does the electing, as long as I have the power to do the nominating."

Networks as Power

The existence of structural and situational power depends not only on access to information, resources, and decision making, but also on the ability to get cooperation in carrying out tasks. Managers and departments that have connecting links with other individuals and departments in the organization will be more powerful than those who don't. Certainly, traditional superior–subordinate vertical relationships are important aspects of power, but these linkages don't begin to tell the whole story. Horizontal linkages provided by both internal and external networks help explain a lot of power differences. The concept of **networks as power** implies that various affiliations, channels of information, and coalitions, both inside and outside the organization, represent sources of power.

As examples of the concept of networks as power, consider the following connecting links. Note that each example relates to a factor already discussed that creates power differences.

- *Information links.* To be effective, managers and employees must be "in the know," both formally and informally. (Knowledge is power.)
- *Supply links.* Outside links provide managers with the opportunity to bring materials, money, or other resources into their organizations, departments, or teams. (Resources are power.)
- *Support links.* A manager's job must allow for decision-making discretion—the exercise of judgment. Managers must know that they can make decisions and pursue innovative, risk-taking ventures without each decision or action having to go through a stifling, multilayered approval process. Managers need the backing of important people in the organization, whose support becomes another resource they bring to their own work. (Participation in decision making is power and an important indicator of support links.)[15]

A further example of the importance of networks and connecting links is shown in Table 9.2. It contains Kanter's analysis of the root causes of powerlessness for supervisors, staff professionals, and top executives.

Understanding internal networks is the key to understanding how work gets done in an organization. To identify and determine how they work together, managers and employees can undertake a **network analysis**, whereby they attempt to diagram important relationship networks within the organization. For example, the *advice network* reveals employees that others depend on to solve problems and provide technical information. The *trust network* shows which employees share delicate political information with each other. The *communication network* (see Chapter 13) indicates who talks to whom on a regular basis. By understanding these and other networks, managers can diagnose the informal organization and understand more about how work actually gets done (or fails to get done) in the organization, as well as identify power differences among individuals, teams, and departments.[16]

Table 9.2 Sources of Powerlessness

POSITION	LACK OF POWER DUE TO:
First-line supervisors	Routine jobs characterized by rigid rules Limited access to information Limited advancement possibilities
Staff professionals	Tasks viewed as peripheral to the "real work" of the organization Blocked careers Easy replacement by outside experts
Top executives	Limited or blocked lines of information from lower levels of organization Lack of control of lines of supply Reduced lines of support due to political challenges from special-interest groups or other members of the public

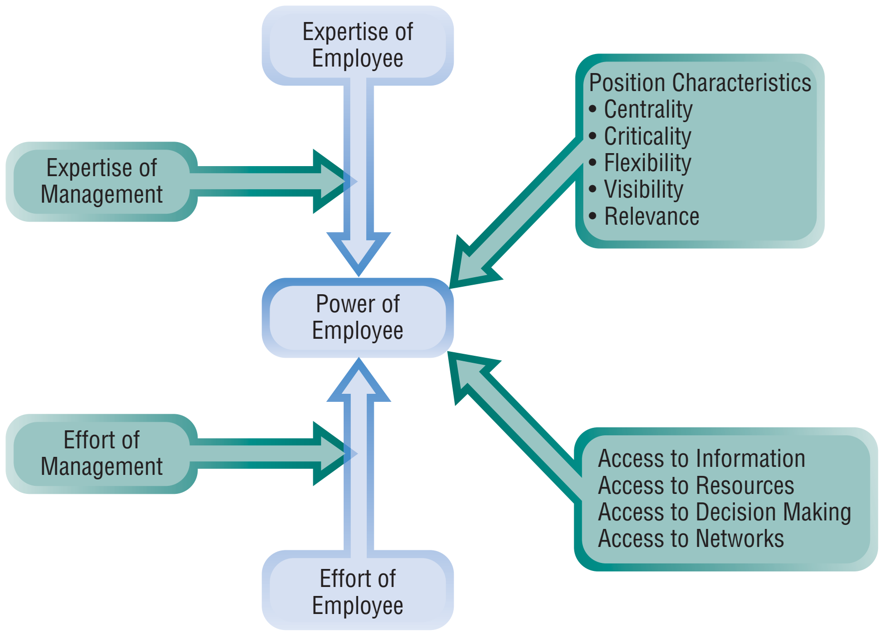
Source: Kanter, R. M. *Rosabeth Moss Kanter on the Frontiers of Management*. Boston: Harvard Business Review Books, 1997, 153.

Lower Level Employee Power

Although we commonly think of power as something that managers have, lower level employees also may wield considerable power. Some sources of interpersonal power—expert power, in particular—may allow subordinates to influence their managers. For example, the staff assistant who can set up and use a Windows 98 spreadsheet has the power to influence a manager if the manager is unable to use the spreadsheet and must rely on the staff assistant's expertise.

Although lower level employees may have some interpersonal power, their ability to influence others' behaviors more likely stems from structural or situational sources. Figure 9.2 suggests that their power is a result of their positions in the organization.

Figure 9.2 **Model of Lower Level Employee Power**



Take another look at Table 9.1 to remind yourself of the important position characteristics related to power. In addition to these characteristics, lower level employees may be able to control access to information or resources and important aspects of the decision-making process. Networks or affiliations with powerful individuals or groups may be yet another source of their power. Further, the expertise of employees and the amount of effort expended also influence the extent of their power. As Figure 9.2 illustrates, whether expertise and effort increase employees' power depends, in part, on their superior's expertise and effort. Employees can acquire power by expending effort in areas where management puts little effort. If an employee's manager has little knowledge about a certain task and the employee has considerable knowledge about it, the relative power of the employee increases. For example, language skills can increase the relative power of bilingual employees, as demonstrated in the following Managing Diversity Competency feature.

COMPETENCY: MANAGING DIVERSITY

BILINGUAL EMPLOYEES ACQUIRE POWER

At the first hint of Spanish, Southwestern Bell directory-assistance operators in San Antonio, a heavily Hispanic city, push a button to route callers to a bilingual operator such as Maggie Morales. Morales and other workers state that this new system, while effective, has made their jobs a lot tougher. Sifting through differences in language and culture means that she can't always meet the company's goal for getting off the phone in 21.5 seconds or less. "In Spanish, it can take a while to figure out that 'eternity general' isn't a hospital, but the attorney general's office," she says.

Maggie Morales doesn't mind the extra work. But like many of her colleagues, she wants the company to pay her more for her language skills. "The more computer languages you know, the more you make," says fellow operator Lillian Stevens, who taught herself Spanish. "Why shouldn't that be the same for languages?"

That question is being asked by bilingual employees in many organizations. As U.S. companies expand overseas and reach out to more non-English-speaking customers at home, demand for workers with language skills is rising fast. These workers' pay expectations are rising fast as well.

But the debate is complex. Many other workers believe it unfair to pay someone extra for a skill that may come as naturally as talking. Employers who want to reward workers for their second languages are finding that it isn't easy to figure out how to do so in a way that will be perceived as equitable.

Still, workers at companies from AT&T to the U.S. Postal Service are pressing their demands with greater insistence. Early in 1996, about 2,500 bilingual U.S. Customs Service inspectors threatened to slow down international travel in Florida, New York, and California by refusing to speak a foreign language unless the Treasury Department paid them more.

The bilingual issue has moved to center stage because of business and social trends. Corporate recruitment of bilingual workers has increased dramatically in recent years. Companies are more aggressively marketing to the estimated 20 million U.S. residents for whom English is a second language. Accompanying the marketing shift is a big change in the way foreign languages are perceived. As recently as the early 1980s, Southwestern Bell operators in Texas could be reprimanded for speaking Spanish on the job. Today, the company advertises extensively for bilingual workers.[17]

*For more information on Southwestern Bell, visit this company's home page at **www.swbell.com.***

Learning Objective:

4. Discuss effective and ineffective uses of power.

THE EFFECTIVE USE OF POWER

When managers, employees, or teams face a situation in which they want to influence the behaviors of others, they must choose a strategy. **Influence strategies** are the methods by which individuals or groups attempt to exert power or influence others' behaviors. Table 9.3 lists various influence strategies used in the workplace.

We are interested in identifying effective influence strategies and understanding the situations in which each might be used. For the influence strategies shown in Table 9.3, research indicates that rational persuasion, inspirational appeal, and consultation often are the most effective in a variety of circumstances. The least effective strategies seem to be pressure, coalition, and legitimating. However, to assume that certain strategies will always work or that others will always fail is a mistake. Differences in effectiveness occur when attempts to influence are downward rather than upward in the organizational hierarchy. Likewise, differences in effectiveness appear when various strategies are used in combination rather than independently. This process is complex, and to understand fully the effectiveness of various influence strategies requires an understanding of the power sources available, the direction of attempts to influence (i.e., upward, downward, or laterally), and the goals being sought.[18]

Having the *capacity* (power) to influence the behaviors of others and effectively using this capacity (power) aren't the same thing. Managers who believe that they can always effectively influence the behaviors of others by acquiring enough power simply to order other people around generally are ineffective. The ineffective use of power has many negative implications, both for the individual and the organization. For example, a study examined the consequences of an overreliance on assertiveness and persistence as an influence strategy (the *pressure* strategy in Table 9.3). Managers who were aggressive and persistent with others—characterized by a refusal to take no for an answer, reliance on repeated reminders, frequent use of face-to-face confrontations, and the like—suffered negative consequences. Compared to other managers studied, these aggressive managers (1) received the lowest performance evaluations, (2) earned less money, and (3) experienced the highest levels of job tension and stress.[19]

Table 9.3 Influence Strategies

INFLUENCE STRATEGY	DEFINITION
Rational persuasion	Use logical arguments and factual evidence.
Inspirational appeal	Appeal to values, ideals, or aspirations to arouse enthusiasm.
Consultation	Seek participation in planning a strategy, activity, or change.
Ingratiation	Attempt to create a favorable mood before making request.
Exchange	Offer an exchange of favors, share of benefits, or promise to reciprocate at later time.
Personal appeal	Appeal to feelings of loyalty or friendship.
Coalition	Seek aid or support of others for some initiative or activity.
Legitimating	Seek to establish legitimacy of a request by claiming authority or by verifying consistency with policies, practices, or traditions.
Pressure	Use demands, threats, or persistent reminders.

Source: Adapted from Yukl, G., Guinan, P. J., and Sottolano, D. Influence tactics used for different objectives with subordinates, peers, and superiors. *Group & Organization Management*, 1995, 20, 275; Buchanan, D., and Badham, R. *Power, Politics and Organizational Change*. London: Sage, 1999, 64.

Effective influence in organizations also depends on an exchange process somewhat related to the *exchange* influence strategy in Table 9.3. The **exchange process** in power relationships is based on the law of reciprocity—the almost universal belief that people should be compensated in some way for what they do.[20] Imagine that an employee is asked by her manager to work through the weekend on an important project. The employee does so but receives no recognition, no extra time off, no extra pay—not even a "thank you." The employee later discovers that her manager took sole credit for the project, which was quite successful. This employee, and most observers, would agree that the manager violated an important aspect of a good working relationship: giving recognition or other rewards in exchange for the employee's contributions.

The expectation of reciprocal actions, or exchange, occurs repeatedly in organizations. In part, because people expect to be compensated, or otherwise have "favors" returned, influence becomes possible in many situations. The exchange process is particularly important with peers or colleagues because formal authority to ensure compliance is absent. Power in the exchange process stems from the ability to offer something that others need. The metaphor of currencies provides a useful way to understand how the exchange process influences behavior. Table 9.4 provides some interesting examples of the many types of currencies "traded" in organizations. Note the similarities between these currencies and the sources of power previously discussed.

The effective use of power is a difficult challenge for managers and employees alike. The goal is to influence the behaviors of others in ways that are consistent with both the needs of the organization and its employees. If the use of power isn't carefully managed, powerful individuals may exploit those with less power and substitute their self-interests for the legitimate interests of the organization. Managers and employees who use power effectively often possess five characteristics.[21]

First, they understand both the interpersonal and the structural sources of power and the most effective methods of using them to influence people. For example, professionals (e.g., R&D scientists, engineers, lawyers, or professors) tend to be more readily influenced by expertise than by other interpersonal sources of power. Effective managers and employees often recognize the structural and situational problems that exist in a power relationship and modify their own behaviors to fit the actual situation. As a result, they tend to develop and use a wide variety of power sources and influence strategies. Some ineffective managers rely too much on one or a few power bases or influence strategies.

Table 9.4

Organizational Currencies Traded in the Exchange Process

CURRENCY	EXAMPLE
Resources	Lending or giving money, budget increases, personnel, space
Assistance	Helping with existing projects or undertaking unwanted tasks
Cooperation	Giving task support, providing quicker response time, approving a project, or aiding implementation
Information	Providing organizational or technical knowledge
Advancement	Giving a task or assignment that can aid in promotion
Recognition	Acknowledging effort, accomplishment, or abilities
Network/contracts	Providing opportunities for linking with others
Personal support	Giving personal and emotional backing

Source: Adapted from Cohen, A. R., and Bradford, D. L. Influence without authority: The use of alliances, reciprocity, and exchanges to accomplish work. *Organizational Dynamics*, Winter 1989, 11; also see Ulrich, D., Zenger, J., and Smallwood, N. *Results-Based Leadership*. Boston: Harvard Business School Press, 1999.

Second, they understand the nature of the exchange process underlying many successful attempts to influence others. They recognize that, over time, unless reciprocal exchanges are roughly equivalent and fair, hard feelings will result and their ability to influence others will decline.

Third, they know what is and what is not legitimate behavior in acquiring and using power. The misuse or lack of understanding of a source of power can destroy its effectiveness. For example, individuals erode expert power if they attempt to demonstrate expertise in areas where they lack the required knowledge. Individuals may lose referent power by behaving in ways that are inconsistent with characteristics or traits that are attractive to others.

Fourth, they tend to seek positions that allow the development and use of power. In other words, they choose jobs that involve the crucial issues and concerns of an organization. These jobs provide opportunities for and, indeed, demand influencing the behavior of others. Successful performance in these positions, in turn, allows individuals to acquire power.

Finally, they use maturity and self-control in applying their power. They recognize that their actions influence the behaviors and lives of others. Although they are not necessarily reluctant or afraid to use their power—recognizing that influencing the behaviors of employees is a legitimate and necessary part of the manager's role—they nevertheless exercise power carefully. They do so in ways that are principled and fair and that are consistent with organizational needs and goals.

Learning Objective:

5. Explain the concept of organizational politics and diagnose personal and situational factors that contribute to political behavior.

POLITICAL BEHAVIOR

Political behavior involves attempts by some to influence the behaviors of others and the course of events in the organization in order to protect their self-interests, meet their own needs, and advance their own goals.[22] Described in this way, almost all behavior may be regarded as political. Labeling behavior as political, however, usually implies a judgment that certain people are gaining something at the expense of others or the organization as a whole. However, a balanced understanding of political behavior and its consequences is needed. People often are self-centered and biased when labeling actions as political behavior. Employees may justify their own political behavior as defending legitimate rights or interests, yet call similar behavior by others "playing politics." In any event, the Managing Change Competency feature on page 280 dramatically illustrates outcomes typically perceived as negative that can stem from unchecked political behavior by powerful people.

ORGANIZATIONAL POLITICS

Organizational politics involves actions by individuals, teams, or departments to acquire, develop, and use power and other resources in order to obtain preferred outcomes when uncertainty or disagreement about choices exists.[23] When people share power but differ about what must be done, many decisions and actions quite naturally will be the result of a political process.

Employees are often concerned about office politics.[24] Typically, they also believe that an ideal work setting would be free from political behavior. Negative attitudes about political behavior and organizational politics can block understanding of this crucial aspect of organizational behavior. Examples of behaviors often seen as political are shown in Table 9.5. People tend to assume that political behavior doesn't yield the best organizational decisions or outcomes—that somehow, by pushing for their own positions, they cause inferior actions or decisions to be produced. Although this result can occur, political behavior isn't always detrimental to an organization. For example, a study involving managers in 30 organizations indicated that they were able to identify beneficial, as well as harmful, effects of political behavior.[25] Beneficial effects

COMPETENCY: MANAGING CHANGE

THE POLITICS OF INNOVATION

In 1873, Christopher Sholes invented the typewriter. Well over a century later, this same typewriter keyboard is still the principal tool that most people use to communicate via the computer. What is unknown to most people, though, is that the particular configuration of keys (referred to as the QWERTY keyboard) was purposely engineered to *slow down* typists in order to accommodate the limitations of the original typewriter. It relied on gravity to return struck keys to their resting positions and could jam if keys were struck in quick succession. Thus the keyboard was designed to prevent typists from striking keys too rapidly, particularly keys located next to each other, so keys containing letters used frequently were separated by space on the keyboard. With modern typewriters, this mechanical problem no longer exists, nor is it a problem with PC keyboards.

Surprisingly, a keyboard with a significantly improved configuration of keys has been in existence since 1932. The Dvorak simplified keyboard (DSK) has repeatedly been shown to be faster and more accurate than the standard keyboard in use, yet this innovation has never been adopted. Why?

The story of the DSK keyboard pits a solitary inventor against large organizations with a stake in maintaining the status quo. For some 30 years, Dr. August Dvorak fought to have his keyboard adopted as the standard. Dvorak and his associates conducted time and motion studies, participated in international typing contests, and even arranged for trial tests to be conducted by the federal government. Studies and tests showed the DSK keyboard improved productivity by 35 to 100 percent, with approximately 50 percent fewer mistakes. From 1934 to 1941, DSK-trained typists won the World Typewriting Championships. Dvorak failed to gain a government contract for his typewriters despite government tests that showed an average 74 percent gain in productivity. Both the U.S. Navy and the General Services Administration rejected converting to the DSK keyboard because of the costs of replacing equipment and retraining typists. The U.S. Navy assigned a security classification to test results of the DSK, thereby ensuring that few people would be aware of them.

Dvorak also faced active resistance from typewriter manufacturers. Manufacturers sponsored most of the typing contests and routinely attempted to prevent DSK typists from competing. Results of typing contests typically failed to list the machines that typists used when DSK typists won. Even instances of sabotage of Dvorak's machines were documented.

Adoption of the DSK was defeated by political resistance on the part of typewriter manufacturers who had little incentive to use the improved keyboard. The increased productivity from the new keyboard could have reduced sales of typewriters, as an office would need fewer machines if each typist could produce more. Further, manufacturers would have been required to pay royalties on the DSK, which was a patented invention.

Today, of course, the QWERTY keyboard is still with us in PC use. Cynthia Crossen, a *Wall Street Journal* reporter, states, "Take a good look at your computer keyboard, and behold one of the worst-designed, least-friendly tools in the workplace today." Crossen points out that the computer keyboard contains a number of keys, such Print Scrn, Scroll Lock, and Pause, that were developed during the earliest days of personal computers (primarily for the early DOS operating system) and have little or no use in current software. Even the function keys across the top of the keyboard are unneeded for programs involving the use of a "mouse." Although some companies, such as Apple, have experimented with different keyboard layouts, computer makers in general have little desire to redesign them. In addition to believing that people need to have a layout that matches their typing training, computer makers cite the tremendous cost of making a change because most current software is written for the standard keyboard. Sound familiar?[26]

For more information on the Wall Street Journal *and Apple Computer, visit these companies' home pages at* ***www.wsj.com*** *and* ***www.apple.com.***

Table 9.5 Common Political Tactics

Taking counsel	The individual exercises great caution in seeking or giving advice.
Maneuverability	The individual maintains flexibility and never completely commits himself to any one position or program.
Communication	The individual never communicates everything she knows. Instead she withholds information and/or times its release carefully.
Compromising	The individual accepts compromise only as a short-term tactic while continuing to press ahead with his own agenda.
Confidence	Once the individual has made a decision, he must always give the impression of knowing what he is doing, even when he does not.
Always the boss	An atmosphere of social friendship limits the power of the manager, thus the manager always maintains a sense of distance and separation with his subordinates.

Source: Buchanan, D., and Badham, R. *Power, Politics, and Organizational Change.* London: Sage, 1999, 193.

included career advancement, recognition and status for individuals looking after their legitimate interests, and achievement of organizational goals—getting the job done—as a result of the normal political process in the organization. Harmful effects included demotions and loss of jobs for "losers" in the political process, a misuse of resources, and creation of an ineffective organizational culture. The effect on culture may be among the most undesirable consequences of continual political behavior. Organizational politics may arouse anxieties that cause employees to withdraw emotionally from the organization. The withdrawal, in turn, makes creating an organizational culture characterized by high performance and high commitment very difficult.

Political behavior, then, can meet appropriate and legitimate individual and organizational needs, or it can result in negative outcomes. In any event, managers and employees must understand political behavior because it definitely will occur. Eliminating political behavior isn't possible—it can only be managed.

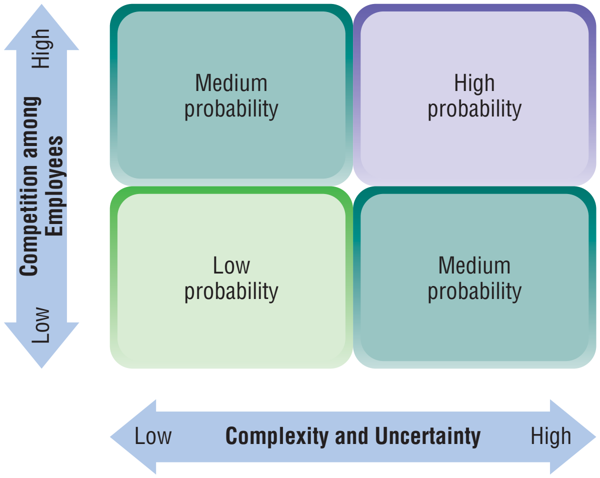
Forces Creating Political Behavior

The probability of political behavior typically increases in proportion to disagreements over goals, unclear goals, different ideas about the organization and its problems, different information about the situation, the need to allocate scarce resources, and so on.[27] If these forces didn't exist, perhaps political behavior wouldn't exist either. However, outcomes are never certain, resources are never infinite, and people must make difficult choices between competing goals and methods to attain them. Thus political behavior will naturally occur as individuals, teams, and departments attempt to obtain their preferred outcomes. Managers shouldn't try to prevent the inevitable, but rather should try to ensure that these activities do not have negative consequences for the organization and its employees.

Managers and employees are more likely to act politically when (1) decision-making procedures and performance measures are uncertain and complex, and (2) competition for scarce resources is strong. Conversely, in more stable and less complex environments where decision-making processes are clear and competitive behavior is less, excessive political behavior is unlikely. Figure 9.3 illustrates these conclusions.

Even though personality and other individual differences may contribute to political behavior, such behavior is typically more strongly influenced by aspects of the situation. Organizations make engaging in political behavior easier when they provide few rules or policies. Ambiguous circumstances allow individuals to define situations in ways that satisfy their own needs and desires. Further, when employees want more of a resource (e.g., equipment or office space) than is available, political behavior is likely to occur.

FIGURE 9.3 **Probability of Political Behavior in Organizations**



Source: Adapted from Beeman, D. R., and Sharkey, T. W. The use and abuse of corporate politics. *Business Horizons*, March–April 1987, 27.

In addition to the dimensions shown in Figure 9.3, political behavior is higher in organizations that reward it. A reward system may focus solely on individual accomplishment and minimize team contributions. When that's the case, individuals may be tempted to behave politically to ensure that they receive some of the rewards. If their political actions result in rewards, employees may be even more likely to engage in such actions in the future. Similarly, individuals who had avoided political behavior, may start behaving politically when they observe such behavior being rewarded. In sum, the organizational reward system can be a significant factor in the occurrence of political behavior.

Decisions can be made less political by increasing the resources available (thus reducing conflict over scarce resources) or by making decisions seem less important than they really are. However, strategies to reduce the political behavior associated with decision making may have some unintended consequences that translate into real costs for an organization. Table 9.6 shows several examples of

TABLE 9.6 **Strategies for Avoiding the Use of Political Behavior in Decision Making and Their Possible Costs**

STRATEGY	COSTS
Slack or excess resources, including additional administrative positions	Inventory, excess capacity, extra personnel, and salary
Strong-culture—similarity in beliefs, values, and goals produced through recruitment, socialization, and use of rewards and punishments	Fewer points of view, less diverse information represented in decision making, and potentially lower quality decisions
Making decisions appear less important	Decision avoided; critical analysis not done; important information not uncovered
Reducing system complexity and uncertainty	Creation of rigid rules and procedures; reduction of capacity for change

Source: Adapted from Pfeffer, J. *Power in Organizations*. Marshfield, Mass.: Pitman, 1981, 93; Pfeffer, J. *Managing with Power: Politics and Influence in Organizations*. Boston: Harvard Business School Press, 1993.

strategies used to avoid organizational politics and the potential costs associated with each strategy.

The performance appraisal process provides a good example of a situation in organizations that may create political behavior. Performance for many employees isn't easily measured, and the process results in the allocation of scarce resources (pay, bonuses, benefits, etc.) based on complex criteria. The following Managing Ethics Competency feature describes political behavior in the performance appraisal process.

Many organizations ignore the existence of politics in the appraisal process or may assume that use of quantitative performance appraisal forms will minimize it. However, as described in the Managing Ethics Competency feature below, political behavior may be a fact of life in many appraisal processes. In particular, because of the ambiguous nature of managerial work, appraisals of managers are susceptible to

COMPETENCY: MANAGING ETHICS

THE POLITICS OF EMPLOYEE APPRAISAL

> There is really no getting around the fact that whenever I evaluate one of my people, I stop and think about the impact—the ramifications of my decisions on my relationship with the employee and his or her future here. I'd be stupid not to. Call it being politically minded, or using managerial discretion, or fine-tuning the ratings, but in the end, I've got to live with him or her, and I'm not going to rate a person without thinking about the fallout. There are a lot of games played in the rating process, and whether we (managers) admit it or not, we are all guilty of playing them at our discretion.

That statement comes from one of 60 executives who participated in in-depth interviews concerning their performance appraisal processes. These executives—from seven large corporations—had performance appraisal experience in a total of 197 different companies. An analysis of these interviews resulted in the following conclusions.

- Political considerations were nearly always part of the performance evaluation process.
- Politics played a role in the performance appraisal process because (1) executives took into consideration the daily interpersonal dynamics between them and their subordinates; (2) the formal appraisal process results in a permanent written document; and (3) the formal appraisal can have considerable impact on the subordinate's career and advancement.

In addition, these executives believed that there usually is a justifiable reason for generating appraisal ratings that were less than accurate. Overall, they felt that it was within their managerial discretion to do so. Thus the findings suggest that the formal appraisal process is indeed a political process and that few ratings are determined without some political consideration.

Perhaps the most interesting finding from the study (because it debunks a popular belief) is that accuracy is not the primary concern of these executives when appraising subordinates. Their main concern is how best to use the appraisal process to motivate and reward subordinates. Hence managerial discretion and effectiveness, not accuracy, are the real goals. Managers made it clear that they would not allow excessively inaccurate ratings to cause problems for themselves and that they attempted to use the appraisal process to their own advantage.[28]

political manipulation. What is the risk, ethical or otherwise, of using performance appraisal as a political tool? Among other things, political performance appraisals can

- undermine organizational goals and performance;
- compromise the link between performance and rewards (see Chapters 5 and 6);
- increase political behavior in other organizational processes and decisions; and
- expose the organization to litigation if managers are terminated.[29]

Some experts who have studied political behavior in the appraisal process suggest that organizations adopt the following guidelines to help cope with the problem.

- Articulate goals and standards as clearly and specifically as possible.
- Link specific actions and performance results to rewards.
- Conduct structured, professional reviews, including specific examples of observed performance and explanations for ratings given.
- Offer performance feedback on an ongoing basis, rather than once a year.
- Acknowledge that appraisal politics exists and make this topic a focus of ongoing discussions throughout the organization.[30]

Learning Objective:

6. Describe some personality dimensions that are related to political behavior.

PERSONALITY AND POLITICAL BEHAVIOR

In this chapter, we have focused primarily on the situational and structural determinants of political behavior. However, just as power has both personal and situational sources, political behavior can stem from each source as well; some individuals are more likely to engage in political behavior than others. In particular, several personality traits are related to a willingness to use power and engage in political behavior. We discuss four of them: the need for power, Machiavellianism, locus of control, and risk-seeking propensity.

NEED FOR POWER

The **need for power** is a motive or basic desire to influence and lead others and to control a person's own environment. As a result, individuals with a high need for power are likely to engage in political behavior in organizations. Successful managers often have strong needs for power. The desire to have an impact, to control events, and to influence others often is associated with effective managerial behavior, equitable treatment of subordinates, and even higher morale among subordinates.

However, some aspects of strong needs for power may not be particularly useful for effective management. The need for power may take two different forms: personal power and institutional power.[31] Managers who emphasize personal power strive to dominate others; they want loyalty to themselves, rather than to the organization. When this type of manager leaves the organization, his or her subordinates may no longer be able to function effectively, at least in the short run. Managers who emphasize institutional power, however, demonstrate a more socially acceptable need for power. They create a good climate or culture for effective work, and their subordinates develop an understanding of and loyalty to the organization. Interestingly, some research indicates that female managers often demonstrate greater needs for institutional power and lesser needs for personal power than do their male counterparts.[32]

MACHIAVELLIANISM

Niccolo Machiavelli was a sixteenth-century Italian philosopher and statesman whose best-known writings include a set of suggestions for obtaining and holding governmental power. Over the centuries, Machiavelli has come to be associated with the use of deceit and opportunism in interpersonal relations. Thus **Machiavellians** are people who view and manipulate others for their own purposes.

As a personal style of behavior toward others, **Machiavellianism** is characterized by (1) the use of guile and deceit in interpersonal relationships, (2) a cynical view of the nature of other people, and (3) a lack of concern with conventional morality.[33] A person who scores high on a test to measure Machiavellianism probably agrees with the following statements.

- The best way to handle people is to tell them what they want to hear.
- Anyone who completely trusts anyone else is asking for trouble.
- Never tell anyone the real reason you did something unless it is useful to do so.
- It is wise to flatter important people.

Machiavellians are likely to be effective manipulators of other people. They often are able to influence others, particularly in face-to-face contacts, and tend to initiate and control social interactions. As a result, Machiavellianism can be associated with a tendency to engage in political behavior. For example, a study that examined the relationship between a propensity to engage in political behavior in organizations and a variety of individual differences reported that Machiavellianism was the strongest correlate of political behavior among the variables investigated.[34] The study concluded that Machiavellianism may be a good predictor of political behavior in many organizational situations.

Locus of Control

Recall that **locus of control** refers to the extent to which individuals believe that they can control events that affect them (see Chapter 2).[35] Individuals with a high internal locus of control believe that events result primarily from their own behavior. Those with a high external locus of control believe that powerful others, fate, or chance primarily determine events that affect their lives. Internals tend to exhibit more political behavior than externals and are more likely to attempt to influence other people. Further, they are more likely to assume that their efforts will be successful. The study of relationships between political behavior and individual differences, referred to in the preceding section, also supported the notion that the propensity to engage in political behavior is stronger for individuals who have a high internal locus of control than for those who have a high external locus of control.

Risk-Seeking Propensity

Individuals differ (sometimes markedly) in their willingness to take risks, or in their **risk-seeking propensity.** Some people are risk avoiders, and others can be described as risk seekers.[36] Negative outcomes (e.g., low performance ratings, demotions, and loss of influence) are possible for individuals and groups who engage in political behavior in organizations. In other words, engaging in political activity isn't risk free; to advocate a position and to seek support for it is to risk being perceived as opposing some other position. In many situations, risk seekers are more willing to engage in political behavior, whereas risk avoiders tend to avoid such behavior because of its possible negative consequences. Some differences in risk-seeking or risk-avoiding behavior may be related to culture. The Managing Across Cultures Competency feature on page 286 provides an example of this cultural effect.

COMPETENCY: MANAGING ACROSS CULTURES

COMPARING CHINESE AND AMERICAN RISK PREFERENCES

Who do you think is the more likely to take risks in business ventures, an American or a Chinese? Most people (at least in North America) would pick the American businessman or businesswoman. However, there is some evidence that they (and you if you chose the American) would be wrong.

In a research study, Chinese and American participants were given questionnaires that asked them to choose between options with a certain payoff (e.g., winning $400) or options with a probabilistic payoff (e.g., winning either $2,000 or nothing depending on the toss of a coin). Faced with this scenario, the Chinese participants made the riskier choice more often than did the American subjects. In addition, both the Chinese participants and the American participants were asked to predict which of them would choose the probabilistic option. Interestingly, both groups of people predicted that the Americans would take more risks.

It appears that our stereotype of Chinese culture, suggesting that Chinese will be more cautious when faced with a choice between a risky or a safe option, may not be correct. (Note that even the Chinese thought that it would be so!) An explanation advanced for these surprising results is called the *cushion hypothesis*. Individuals in a collectivist society, such as China's, may in fact be more willing to take risks under some circumstances because they can rely on their social network to help them with the negative consequences that may ensue. The same results may or may not always occur in organizational settings, but at the very least, these findings should suggest some caution in terms of making predictions about risk-seeking behavior based on cultural stereotypes.[37]

CHAPTER SUMMARY

1. Explain the concept and dynamics of organizational power.

Power is the capacity to influence the behaviors of others. Power is a social term; that is, individuals have power in relation to others. Power also involves a dynamic relationship among people that can change over time.

2. Describe the interpersonal sources of power.

Sources of power stem from both interpersonal and structural factors in an organization. Interpersonal power sources can be categorized as reward power, coercive power, legitimate power, expert power, and reference power. These power sources may complement or detract from one another.

3. Discuss the main categories of structural sources of power.

Structural power differences stem from unequal access to information, resources, decision making, and networks with others. Lower level employees, despite their positions in the organizational hierarchy, may have considerable power to influence events and behavior.

4. Discuss effective and ineffective uses of power.

Individuals who can effectively influence others' behaviors usually understand clearly the sources of power—and its appropriate and fair uses. Such individuals also usually understand the important role that the exchange process plays in the ability to influence the behaviors of others.

5. Explain the concept of organizational politics and diagnose personal and situational factors that contribute to political behavior.

Organizational politics involves the use of power and other resources by individuals, teams, or departments to obtain their own preferred outcomes. Political behavior is inevitable, owing to naturally occurring disagreements and uncertainty about choices and actions. Political behavior can have both positive and negative consequences; it may or may not result in optimal decisions, and some real costs are associated with avoiding political behavior. Political behavior is more likely to occur when resources are scarce or rules and procedures are unclear. The performance appraisal process often invites political behavior, sometimes with negative results.

6. Describe some personality dimensions that are related to political behavior.

Certain personality traits predispose some people to engage in political behavior. Specifically, the probability that individuals will do so increases if they have (1) a strong need for power, (2) a Machiavellian interpersonal style, (3) a high internal locus of control, and (4) a preference for risk taking.

KEY TERMS AND CONCEPTS

Authority
Coercive power
Decision making as power
Exchange process
Expert power
Influence strategies
Intellectual capital
Knowledge as power
Legitimate power
Locus of control
Machiavellianism
Machiavellians
Need for power
Network analysis
Networks as power
Organizational politics
Political behavior
Power
Referent power
Resources as power
Reward power
Risk-seeking propensity
Zone of indifference

DISCUSSION QUESTIONS

1. Explain why the sources of power in organizations provide another good example of the value of an interactionist approach to understanding organizational behavior.
2. Describe situations when (a) you had the power to influence the behavior of another person, and (b) another person had the power to influence you. In each case, explain the sources of power that applied to the circumstances.
3. Make some suggestions for the effective use of power. What competencies might allow you to use power effectively?
4. In terms of the exchange process, give three examples of "currencies" that are commonly exchanged in an organization with which you are familiar.
5. Based on your own experiences, give examples of both effective and ineffective uses of power and their outcomes. Explain why each outcome occurred.
6. Based on your own organizational experiences, describe a situation when a lower level employee had the power to influence others. Use Figure 9.2 to help you explain the sources of that person's power.
7. Use the position characteristics associated with power shown in Table 9.1 to analyze a position that you have held in an organization in terms of its power (or lack of power).
8. Why is the performance appraisal process prone to political abuse? How can the probability of political behavior be minimized in performance appraisal?
9. Based on your own experience, describe a situation in which political behavior seemed to be excessive. Why was this so?
10. Assess your own personality in terms of (a) need for power, (b) Machiavellianism, (c) locus of control, and (d) preference for risk taking.
11. Assess the personality of a person well known to you in terms of (a) need for power, (b) Machiavellianism, (c) locus of control, and (d) preference for risk taking.

DEVELOPING COMPETENCIES

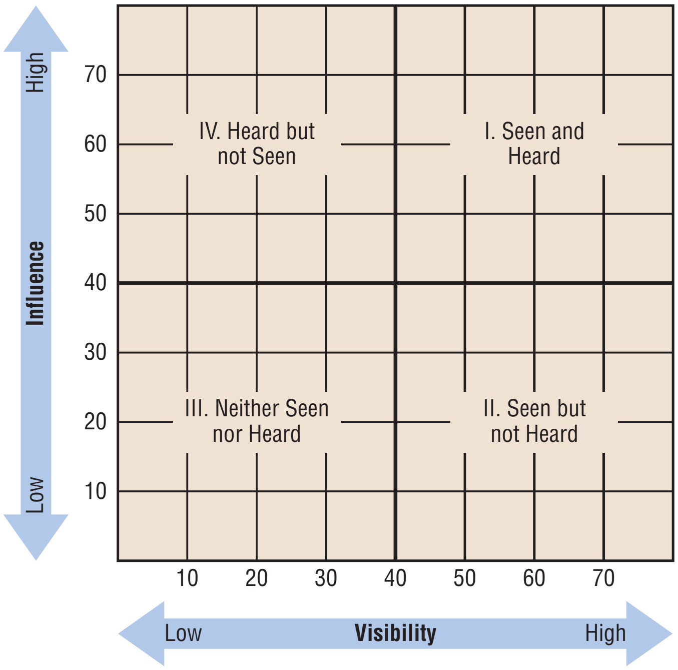
Competency: Managing Self—How Much Power Do You Have in Your Group?

Instructions: Think of a group of which you are a member. For example, It could be a team at work, a committee, or a group working on project at your school. Use the scale shown to respond to the following statements.

1 = Strongly disagree
2 = Disagree
3 = Slightly disagree
4 = Neither agree nor disagree
5 = Slightly agree
6 = Agree
7 = Strongly agree

_____ 1. I am one of the more vocal members of the group.
_____ 2. People in the group listen to what I have to say.
_____ 3. I often volunteer to lead the group.
_____ 4. I am able to influence group decisions.
_____ 5. I often find myself on "center stage" in group activities or discussions.
_____ 6. Members of the group seek me out for advice.
_____ 7. I take the initiative in the group for my ideas and contributions.
_____ 8. I receive recognition in the group for my ideas and contributions.
_____ 9. I would rather lead the group than be a participant.
_____ 10. My opinion is held in high regard by group members.
_____ 11. I volunteer my thoughts and ideas without hesitation.
_____ 12. My ideas often are implemented.
_____ 13. I ask questions in meetings just to have something to say.
_____ 14. Group members often ask for my opinions and input.
_____ 15. I often play the role of scribe, secretary, or note taker during meetings.
_____ 16. Group members usually consult me about important matters before they make a decision.
_____ 17. I clown around with other group members.
_____ 18. I have noticed that group members often look at me, even when not talking directly to me.
_____ 19. I jump right into whatever conflict the group members are dealing with.
_____ 20. I am very influential in the group.

Figure 9.4 **Visibility/Influence Matrix**



Source: Adapted from Reddy, W. B., and Williams, G. The visibility/credibility inventory: Measuring power and influence. In J. W. Pfeiffer (ed.), *The 1988 Annual: Developing Human Resources.* San Diego: University Associates, 1988, 124.

Scoring

Visibility		Influence	
Item	Your Score	Item	Your Score
1.	_____	2.	_____
3.	_____	4.	_____
5.	_____	6.	_____
7.	_____	8.	_____
9.	_____	10.	_____
11.	_____	12.	_____
13.	_____	14.	_____
15.	_____	16.	_____
17.	_____	18.	_____
19.	_____	20.	_____
Total	_____	Total	_____

Use the scores calculated and mark your position on the visibility/influence matrix shown in Figure 9.4. The combinations of visibility and influence shown are described as follows.

1. *High visibility/high influence*. Group members in quadrant I exhibit behaviors that bring high visibility and allow them to exert influence on others. In organizations, these people may be upwardly mobile or on the "fast track."
2. *High visibility/low influence*. Group members in quadrant II are highly visible but have little real influence. This condition could reflect their personal characteristics but also could indicate that formal power resides elsewhere in the organization. Often these people may hold staff, rather than line, positions that give them visibility but that lack "clout" to get things done.
3. *Low visibility/low influence*. Group members in quadrant III, for whatever reason, are neither seen nor heard. Individuals in this category may have difficulty advancing in the organization.
4. *Low visibility/high influence*. Group members in quadrant IV are "behind the scenes" influencers. These individuals often are opinion leaders and "sages" who wield influence but are content to stay out of the limelight. [38]

Competency: Managing Change—The Art of Persuasion

Robert Marcell was head of Chrysler's small-car design team in the early 1990s. The company had not had a new subcompact design since 1978 and eagerly sought to develop one. However, senior management at Chrysler was convinced that a small car should be developed in alliance with a foreign manufacturer in order to acquire a better design and to share development costs.

Marcell did not agree with this position. He was convinced that Chrysler should design and produce the new car by itself. Marcell knew that persuading senior management to change their minds would be very difficult. In addition, morale was poor on his design team, some of whom believed that the opportunity to design subcompacts was forever lost to their foreign competition. In effect, Marcell had two audiences that he had to persuade to accept his point of view—senior management and his own design team. He decided that his persuasion strategy would be to use emotional themes that his colleagues and senior management could relate to.

Marcell first spent a lot of time talking to people throughout Chrysler to learn their views, including their hopes and fears for the future. He became convinced that many individuals shared his viewpoint that to surrender the design to a foreign manufacturer was to surrender the company's soul. In addition, Marcell discovered that many Chrysler employees were hungry for a challenge and a chance to restore their self-esteem and pride. Armed with a deep understanding of his audience and the needs of the firm, Marcell was now ready to make his move. He prepared a short talk built around slides of his hometown of Iron River in upper Michigan with plans to present his ideas both to his team and senior management. Iron River was a defunct mining town that had lost most of its business to foreign competition. During his presentation, Marcell showed slides of his boarded-up high school, run-down homes of his childhood friends, closed churches, an abandoned railroad yard, and the crumbling ruins of the town's ironworks. After each picture, he intoned, "We couldn't compete." He argued, persuasively, that Detroit and the U.S. automobile industry faced a similar future unless the design and production of small cars was brought back to the United States.

Marcell ended his slide show on a positive note. He spoke movingly of his pride in his design team and challenged his designers and senior management to build a "made-in-America" subcompact that would prove that they could still compete. The speech, which echoed the sentiments held by many members of his design team, rekindled their fighting spirit. Shortly after hearing this talk, his team began drafting ideas for a new car. In the presentation to senior management, Marcell ended with, "If we dare to be different, we could be the reason the U.S. auto industry survives. We could be the reason our kids and grandkids don't end up working at fast-food chains." Chrysler chairman Lee Iacocca was so touched that he stayed for 2 hours after Marcell's presentation talking about preliminary design ideas. Shortly after these presentations, Iacocca reversed the previous decision made by senior management and gave Marcell's group approval to develop a new small car, which became the Neon.[39]

For more information on Chrysler, visit this company's home page at ***www.chryslercars.com.***

Questions

1. It has been suggested that many people in business do not really understand the concept of persuasion. They seem to regard this influence strategy as "convincing and selling." However, experts argue that persuasion is really "learning and negotiating." Was Marcell's approach to persuading others to accept his point of view convincing and selling or was it learning and negotiating? Explain your conclusion.
2. In addition to the general notion of using the "art of persuasion," which influence strategies from Table 9.3 did Marcell use? Defend your choices.
3. Describe occasions when you (a) successfully persuaded others to accept your point of view, and (b) failed to persuade others. What accounted for the differences in your success or failure?
4. Describe occasions when you observed another individual (a) successfully persuade people, and (b) fail to persuade others. What accounted for the differences in these two circumstances?

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