

CHAPTER 9

THE EFFECTIVE USE OF POWER¹

To some people the word “power” has negative connotations, perhaps derived from the abuses of power reported in the press such as the Enron or World Com scandals. As Kotter observed, “Most of us, to be blunt, are remarkably naïve when it comes to understanding power dynamics in complex organizations. At the same time, others of us are incredibly cynical”² A simple but conceptually correct definition of **power** is **the capacity to influence the behavior of others**. Power in this sense is value-neutral. We can only judge the effectiveness of the use of power by observing the context of the social relationships involved and the outcomes of attempts to influence. In Chapter 4 it was noted that “a leader’s function is to influence people....” Therefore, leaders (i.e. effective managers) must acquire and use power.

Acquiring and using power effectively is necessary for survival in organizations, for managing relationships, and for individual fulfillment³. The leader’s sense of self-esteem, desire for self-fulfillment and competence is enhanced by his or her ability to use power effectively. While power can be an attribute of political systems, organizations, and groups as well as individuals, this chapter will focus primarily on power as individual leaders use it in social relationships within organizations. The one important exception to this emphasis on individual power is a discussion of ways that group power can be used to solve problems.

For individuals, power exists on two levels:

- As a motive⁴; and
- As behavior⁵.

The need to feel in control, to influence, to organize groups, to become, and to grow are examples of power on the motivational level. At this level, power is latent or potential. When these motives are translated into action, power is manifested in behavior. This chapter deals with the action-oriented, behavioral aspects of power.

In organizations, the potential power of the individual leader is embedded in the networks of social interactions that are part of the work setting. In power interactions, the one who exercises power attempts to influence a recipient. In some interactions, the attempts to influence will be reciprocal, and the recipient and the exerciser of power will exchange places.

In one-sided relationships, there will only be one recipient and one wielder of power. From the perspective of the recipient, the behavior of the one who exercises power can be perceived as negative (P-) or positive (P+). The behavior is seen as negative when the recipient perceives it as exploitation, manipulation, or win/lose competition. The person on the receiving end is always in a losing position in these situations. Recipients see power positively when they benefit from the situation. That benefit may be economic, symbolic, or personal. When the person on the receiving end perceives

power as positive, the interaction takes on a win/win character. The recipient senses support, increased motivation, and ego enhancement.⁶

The Behavioral Bases of Power

There are at least eleven behavioral bases of power that can be used to influence another person or group. Anyone can develop the skills to use most of these power bases in order to maximize individual effectiveness in forwarding the goals of the organization. The eleven bases of power we will examine are:

- Reward;
- Coercion;
- Authority;
- Resources (including budgets, facilities & people);
- Charisma (including physical attractiveness);
- Reciprocity;
- Track record;
- Expert;
- Information;
- Affiliation; and finally,
- Group power.

Reward Power

When leaders give a positive stroke, some form of remuneration, awards, or any symbolic gesture that is seen as a compliment, they are exercising reward power. The behaviors involved are either verbal or nonverbal interactions with those on the receiving end. By definition, reward power is P+. Its magnitude depends, however, on the recipient's perception of the meaning of the behavior. A promotion or a sizable bonus has more positive power than a complimentary letter. Personally appearing at the employee's work site to deliver a compliment has more positive power than a phone call.

Coercive Power

The ineffective manager (usually not a leader) demonstrates coercive power by injuring another person physically or psychologically. Coercive behaviors are verbal and nonverbal put-downs, slights, symbolic gestures of disdain, or actual physical attack. A demotion, an unwanted transfer, or the withholding of needed resources are more extreme forms of coercive power. Coercive power is perceived as P-.

Authority Power

The legitimate right of an effective manager to control and the concomitant obligation of others to obey confirms authority power. This power base has both positive and negative aspects. The increased use of reward power by a person with authority and under the appropriate circumstances usually results in higher motivation and loyalty. The overuse of authority power, however, can have negative consequences. Authority power is best used as a potentiality rather than an actuality. Behaving as "The

Boss" too often may be seen as P-. Recipients can short circuit authority power in subtle or undetected ways. The ineffective manager may be buying short-term compliance at the expense of long-term commitment. But in times of crisis or need, the exercise of leadership based on authority normally will be perceived as P+ (see Chapter 10).

Resource Power

The ability to control, or at least influence budgets, facilities and/or people confers power because others in the organization may want more money, better facilities and more and better people to get their jobs done. Thus, it is possible to build relationships which can become allies and supporters.⁷ In many instances it is only necessary to have control or influence over incremental resources to be able to exert significant interpersonal influence.⁸ Providing desired resources is seen as P+, but withholding desired resources is seen as P-.

Charisma Power

Charisma power is in the eye of the beholder. Leaders have charisma power when someone identifies with them. The identification can be based upon personal attractiveness or other characteristics that are seen as charismatic, but the perception of charisma is totally dependent upon the recipient who admires, envies or feels a need to be identified with these somewhat mystical powers. One doesn't build charismatic power; either it's there or it isn't. Everyone has some charisma and no one has perfect charisma. To the extent that you have it, use it. It is P+.

Reciprocity Power

A form of power, one that anyone can acquire, is reciprocity power, which sometimes means friendship. As Cialdini observed, "The impressive aspect of reciprocation with its accompanying sense of obligation is its pervasiveness in human culture."⁹ More recently, "People repay in kind. ... If you have ever caught yourself smiling at a coworker just because he or she smiled first, you know how this principle works."¹⁰ In this context, reciprocity in an organizational setting is very similar to reciprocity in a social setting. When someone invites us to dinner, we feel an obligation to return the favor by inviting him or her to dinner. The same sense of obligation operates for favors given in an organizational setting. We try to repay favors, invitations, and other positive strokes. Sometimes, however, the obligation to repay requires a repayment of a different kind. For example, if a boss comes down to a subordinate's office, leaves the door open and in a loud voice compliments the subordinate on a job well done; it is not usually considered socially acceptable for the subordinate to do the same thing to the boss. The subordinate finds other ways to repay the boss. Sometimes reciprocity power can be developed through associating with another individual, sharing personal information or providing something of value to someone else. Leaders can build on common interests, values, viewpoints, and preferences to a point that other people can get to know them. This process, when used with rewards and/or information, leads to a

reciprocal relationship. Either person can call on the other in time of need; in effect, each has IOUs out that can be called in. Because of the identification factor, reciprocity power is usually seen as P+.

Track Record Power

People want to be associated with a winner. As Kotter observed, “A credible track record and the reputation it earns can help one develop and maintain good working relationships with others in a fraction of the time that is required if those power sources are absent.”¹¹ Further, Pfeffer states, “it matters to develop a good track record early.”¹² Success and the reputation that goes with it often leads to an assumption that success breeds success and it is better to be an ally of success than an enemy. Thus, the person with a good track record has the ability to influence others that is seen as P+.

Expert Power

When leaders have specialized knowledge that is valued by another person, they have the potential for expert power. When the need arises, this power can be exercised to help another person or group. When expert power is solicited and given, it is perceived as P+. However, the unsolicited use of expert power can be seen as an unwanted intrusion and therefore is P-. Expert power used by itself is a very limited power base. Its continual use can put barriers between a leader and others that may be difficult to remove. The way expert power is delivered is critical in forming the perceptions of the recipient. Expert advice given in a condescending or authoritative manner will be seen as a putdown. Such power will be perceived as P-, as will withholding expertise in time of need.

Information Power

“Information, along with a sensitivity to its importance, is key to sensible decision making.”¹³ The information power base depends upon access to information that is not public knowledge. Leaders may have access to this information because of their position, mentor or mentors, or they may have built a network of relationships that gives them information through informal channels¹⁴. Information power can exist at all levels of the organization. It is entirely possible, in some closed organizations, that executives at the top have less information about what is going on within the organization than the people in the middle or even the lower levels. An administrative assistant to a senior executive has information power. Not only is there access to information, but there is also the ability to control the flow of information to and from the senior executive. Providing information that is not generally available is usually seen as P+.

Affiliation Power

Affiliation power is borrowed from an authority or leadership source with whom a person is associated. For example, administrative or staff assistants reporting to high-level officers can manifest affiliation power by acting as surrogates for the authority figure. If they are acting according to the wishes of the person who actually has the authority, this is a legitimate and appropriate use of power. On the other hand, if it is apparent to recipients that the exerciser of this power is acting out of self interest, it is clearly P-. Another example of negative affiliation power occurs when critical interfaces in the organization are used to obstruct or block performance. For instance, when the

wielder of power interprets accounting or personnel policies rigidly, borrowing authority from his or her interpretation of rules and regulations, those on the receiving end usually perceive it as P-.

Group Power

Group power involves a number of individuals interacting in problem solving, conflict resolution or creative brainstorming. This power base can be considered P+ only when the group resolution of the problem or situation is greater than the individual contributions -- when the group reaches a synergistic solution. This result requires careful design and leadership of the group process. When this end is accomplished, however, individuals will have a greater commitment to problem solving and action than would have been possible if one or two members had dominated the proceedings. When a few people dominate, the usual result is groupthink¹⁵ which is P- (see Chapter 17).

Steps for Building Power

Many executives seem unaware of and/or unskilled in the acquisition and use of power. One of the easiest sources of power to build is reciprocity. Although it has the most potential, it is frequently the least used base of power. Organizational power seems comparable to that in a storage battery, which is draining even as it sits on the shelf. Acquiring reciprocity power is one of the easiest and quickest ways for effective executives to "keep their batteries charged."

Some people have found these guidelines helpful in building power bases:

- **Get to know your colleagues.** "To influence others, it is clearly useful to be able to understand them, their interests and attitudes, and how to reach them."¹⁶ Apply your knowledge about motivations, preferences, values, past history and interests. This insight is important in order to understand their spontaneous behavior.
- **Build your relationship on shared interests,** motivations, and goals.
- **Respect different interests,** goals, and values, and do not attack or disdain another person's style.
- **Use reward power and positive reinforcement.**¹⁷ Giving positive strokes, when deserved or needed, is the cheapest and easiest way to build a relationship. Remember, the key to motivation is the need to be competent. When you affirm the competence of another person, they value you.
- **Invite reciprocal influence** to show that you respect and want the perceptions, opinions, and information others have to offer.
- **Give your expertise and share information,** especially when you don't stand to benefit by the results of your interventions.
- **Minimize status concerns.** People tend to relate to equals, not to superiors. You do not need to abdicate your authority or responsibility but you should put the trappings of office in their proper place. "People prefer to say yes to individuals they know and like."¹⁸

- **Become an expert communicator.** People value straightforward and non-contradictory messages. Develop both your verbal and nonverbal channels of communication for both transmitting and especially receiving or listening.

- **Get to know the informal political structure** of the organization¹⁹. The formal structure does not tell the whole story. In some instances you may be able to build relationships without regard for the formal authority structure. In other cases, you may have to go through channels. By reading the environment, you can avoid some embarrassing incidents.
- **Get to know how people react to stress and crisis**. Trying to negotiate requests when another person is under stress may doom your attempts.

Some organizations, for example, defense contractors with several very large projects, use a matrix structure (see Chapter 20) where clear lines of authority are not always present. Work is performed not by order or edict, but by the functional organization on a negotiated basis with the program office. In such systems, using various power bases effectively is essential. Because of multiple programs and limited resources, conflict is an everyday occurrence. The key to conflict resolution is the ability to negotiate workable psychological contracts with colleagues who have no formal reporting obligations. The use of threats (coercive power) or appeals to higher authority can lead to long-term conflict. The party under siege can, at some time in the future, make use of affiliation power to retaliate.

Acquiring and using power effectively is important not only to leaders in coordinative or matrix organizations, but to all leaders at any level in any organization. Skilled leaders either intuitively or reflectively develop preventive measures for lessening the impact of short-term conflicts over resources. Because most leaders are not natural politicians, they have to develop behavioral and conceptual skills to effectively negotiate their needs.

Creating Conditions for Group Power

In the day-to-day operations of an organization, the leader regularly and inevitably will either lead or participate in problem-solving groups. Usually participants in these groups leave the meetings with a feeling of frustration or futility. They tend to ask themselves, "Why do we waste our time this way?" The reason for their frustration is quite simple: the group process was not understood nor properly led. When leaderless groups are left to develop on their own, they generally end up being controlled by the most vocal and power-oriented individuals. If the group contains individuals with different status levels, the high-status individuals can dominate the proceedings. On the other hand, groups directed by an appointed person with organizational status and authority are less likely to drift into the groupthink mode. Effective group problem solving needs to draw on positive group power, GP+, in order to be synergistic. This involves a reflective orientation on the part of the leaders and the participants in the group. The following steps are some behavioral guidelines for developing GP+.

1. Ensure a climate of openness to opinions, perceptions, conflicts and possibilities.
2. Use positive reinforcement to reward the contributions of others.
3. Ban the use of negative criticism of individuals.

4. Clarify the objectives of the meeting. Is the agenda intended to find opportunities? To solve problems? To evaluate or implement? To inform? Is the meeting to result in consensus, plurality, or simple majority decision or no decision at all?
5. Divide the group process into four phases but remember these phases can take place in one session or over many meetings, depending upon the complexity of the problem:
 - The generation of opinions, perceptions and alternatives;
 - The development of criteria for judging alternatives;
 - The trade-off phases, where the criteria are applied to the alternatives; and
 - The identification of action steps for implementation.
6. To get the most contributions and reciprocal influence, lead the group process by assigning roles to individual group members. The major roles should be:
 - *The gatekeeper*, who tries to involve all participants in the problem-solving process, minimizes the use of premature evaluations and brings hidden conflicts to the surface;
 - *The clarifier*, who restates opinions, perceptions and attributions of others; and
 - *The critical evaluator*, who analyzes and evaluates potential decisions at the end of any phase of the group.
7. Make creative use of the different styles in the group. By identifying the range of differences in the group, the potential biases are brought out in the open. The gatekeeper can use an understanding of these differences to elicit maximum contributions and to prevent conflicts over style rather than substance.
8. At the end of each meeting, set some time aside for the group to evaluate the process that took place at that meeting.

In groups or in other relationships, the leader who has developed power wisely and who uses all or most of the P+ bases of power effectively will almost certainly be able to influence the behavior of others in positive ways. The P- bases of power may also be useful under very rare circumstances. But the leader who uses the P+ bases of power skillfully can contribute substantially to forwarding organizational goals.

Questions for Reflection and/or Discussion

1. What are the differences and similarities between authority and power?
2. What can leaders do to improve their ability to acquire and use power more effectively?
3. What potential problems are there in the acquisition and use of power?
4. What kinds of situations have you seen where power was abused? used effectively?

FOOTNOTES

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- ¹ This Chapter is a rewrite and update of an article that first appeared in *Business Horizons*, May/June 1986, Copyright 1986 by the Foundation for the School of Business at Indiana University. The original portions are used with permission.
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