

## Chapter 4

# Influencing: Power, Politics, Networking, and Negotiation

# Leadership and Influence

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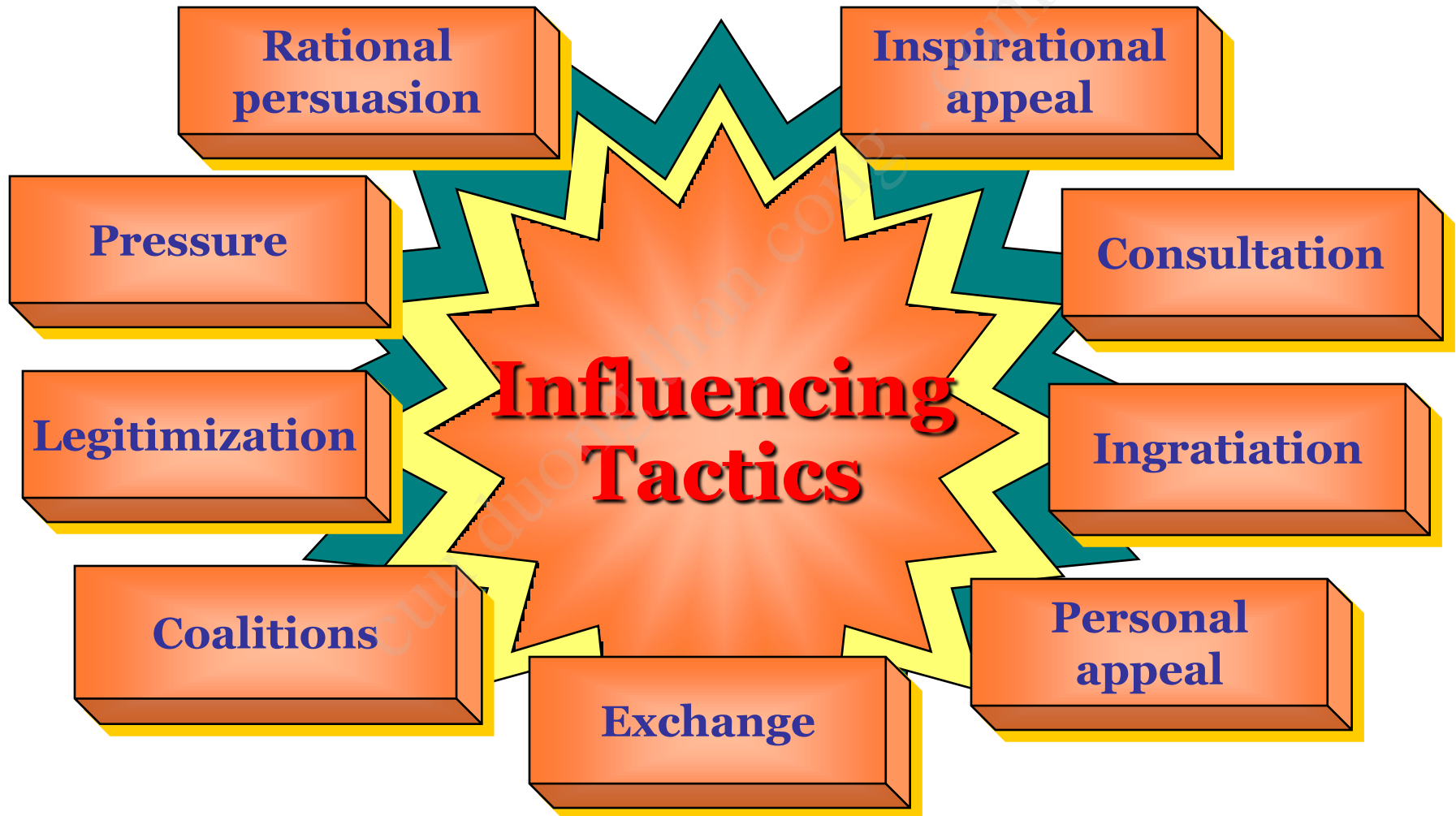
## □ Leadership

- Is the “influencing” process of leaders and followers to achieve organizational objectives through change

## □ Influencing

- Is the process of affecting others' attitudes and behavior in order to achieve an objective

# Influencing Tactics



Source: Adapted from J. French and B. H. Raven. 1959. "The Bases of Social Power." In *Studies of Social Power*, D. Cartwright, ed. Ann Arbor, MI: Institute for Social Research

# Power

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- ❑ Is the leader's potential influence over followers
- ❑ Often does not have to be used to influence followers (*I disagree; most of the times, power has to be used to influence people*)
- ❑ Used to get people to do what they otherwise would not do

# Discussion Question #1

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Is power good or bad for organizations?

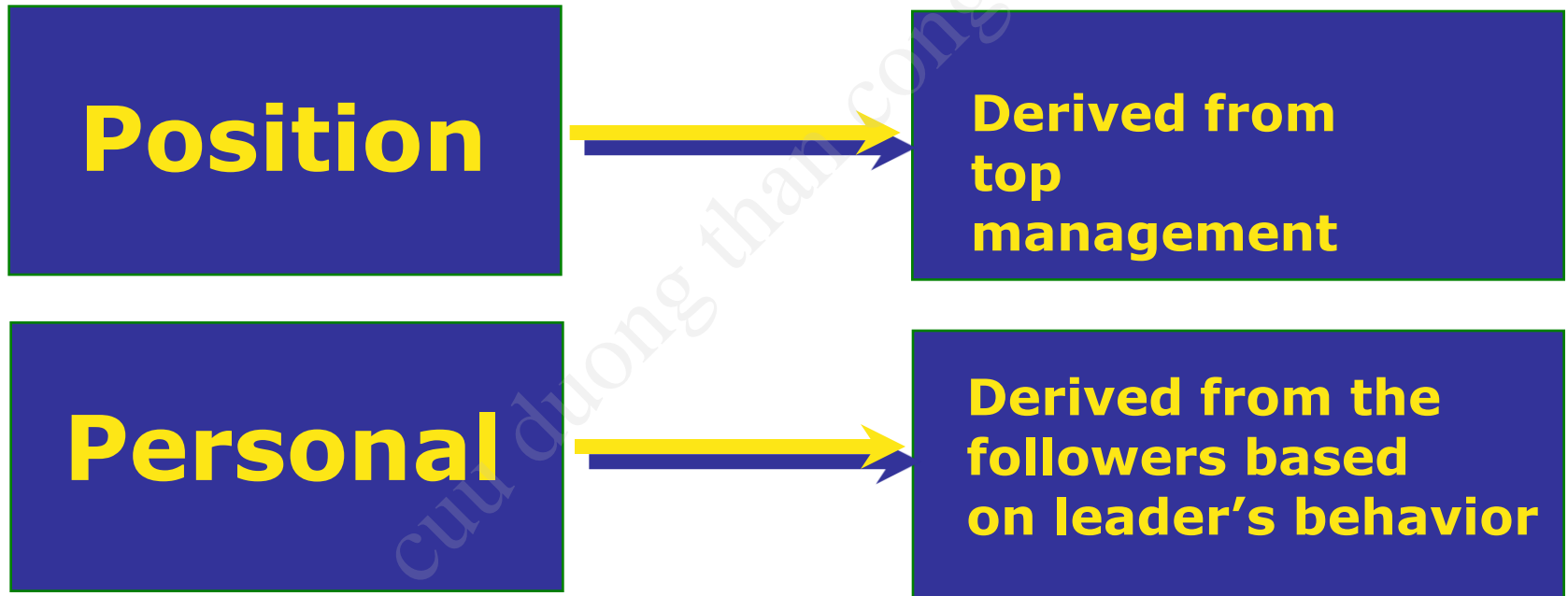
# Power (cont.)

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- ❑ Can be seen as negative and manipulative
- ❑ Power within organizations should be viewed in a positive sense
- ❑ Without power, organizational objectives cannot be achieved
- ❑ Required for leadership

# Sources of Power

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# Position Power

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- Is derived from top management
- Is delegated down the chain of command
- Results from holding a management position



# Personal Power

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- ❑ Is derived from the followers
- ❑ Is based on the leader's behavior
- ❑ Followers can have personal power over leaders
- ❑ A manager should have both personal power and position power

# Types of Power

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## □ Legitimate power

- Is based on the user's position power, given by the organization
- Employees agree to comply with management authority in return for the benefits of membership
- Most day-to-day manager–employee interactions are based on legitimate power

# Types of Power (cont.)

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- To increase legitimate power:
  - Get management experience
  - Work to gain the perception of power
  - Exercise your authority regularly
  - Use rational persuasion
    - Explain the need for the objective
    - Explain how others will benefit
    - Provide evidence that the objective can be met
    - Explain potential problems and their handling
    - Explain why your plan is better than others
  - Back up your authority with rewards and punishment

# Types of Power (cont.)

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## □ Reward power

- Is based on the user's ability to influence others with something of value to them
- Impacts performance expectations and achievement
- A leader's power is strong or weak based on his or her ability to reward and punish
- Uses the exchange influence tactic

# Types of Power (cont.)

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- To increase reward power:
  - Have control over employee evaluations, raises, promotions, etc.
  - Find out what others value, and use it to reward them
  - Let people know you control rewards, and state your criteria for receiving them

# Types of Power (cont.)

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## □ Coercive power

- Involves punishment and withholding of rewards to influence employee compliance
- Uses the pressure influencing tactic
- Often used by peers to enforce norms
- Used to maintain discipline and enforce rules
- Without it, employees may ignore the leader
- Overuse undermines the leader's authority and creates hostile opposition
- Has generally been declining as an influence technique

# Types of Power (cont.)

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## □ To increase coercive power:

- Gain authority to use punishment and withhold rewards
  - Make sure employees know the rules and penalties
  - Remain calm and encourage improvement
- Do not make rash threats
  - Do not use coercion to manipulate others or gain personal benefits
- Be persistent, set deadlines, and check progress often

# Types of Power (cont.)

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## □ Referent power

- Is based on the user's personal relationships with others
- Uses the personal appeals and inspirational appeals influencing tactics
- Stem primarily from friendship, or the employee's attractiveness to the person using power
- Being liked or the desire to be liked gives referent power
- Is appropriate for people with weak, or no, position power, such as with peers



# Types of Power (cont.)

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## □ To increase referent power:

### ■ Develop people skills

- Remember that not only managers have referent power

### ■ Work at having good relationships with managers, peers, and subordinates

# Types of Power (cont.)

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## □ Expert power

- Is based on the user's skill and knowledge
- Makes others dependent on the person with the power
- Can be a factor of personal power
- Can lead to promotion into management
- People respect experts
- Uses rational persuasion

# Types of Power (cont.)

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- To increase expert power:
  - Take training and educational programs
  - Attend trade or professional association meetings and programs
    - Read professional and trade journals
    - Get published in professional journals
  - Keep up with new technology
  - Project a positive self-concept
  - Let people know about your expertise to develop a reputation
    - Display diplomas, licenses, publications, and awards

# Types of Power (cont.)

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## □ Information power

- Is based on the user's data desired by others
- Distortion of data can promote position
- Employees provide information to managers, which can also be distorted
- Conveying information is part of most managers' jobs
- Uses rational persuasion and inspirational appeals

# Types of Power (cont.)

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- To increase information power:
  - Have information flow through you
  - Know what is going on in the organization
  - Develop and use a network of information sources

# Types of Power (cont.)

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## □ Connection power

- Is based on the user's relationship with influential people
- Is a form of politics
- Contacts or friends can influence persons you deal with
- If people know you are friendly with powerful people, they will tend to gain the perception that you have power as well
- Can be enhanced using the coalition influencing tactic

# Types of Power (cont.)

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## □ To increase connection power:

- Expand your network of contacts with important managers who have power
- Join the “in crowd” and the “right” associations and clubs
- Follow the guidelines for using the coalition influencing tactic
- Get people to know your name
  - Gain all the publicity you can
  - Have your accomplishments known by people in power by sending notices

# Acquiring and Losing Power

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- ❑ Power can change over time
- ❑ Personal power can be easily gained or lost
- ❑ Abuse of power will result in loss of power
- ❑ Social exchange theory explains how power is gained and lost as reciprocal influence processes occur over time between leaders and followers
- ❑ Social interaction is an exchange of benefits or favors



# Politics

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- ❑ Is the process of gaining and using power
- ❑ Managers use their existing position power and politics to increase their power
- ❑ Is a reality of organizational life
- ❑ Politics has a negative connotation due to those who abuse political power
- ❑ It is a medium of exchange
- ❑ Like money, political power is neither good or bad; it is its use that determines this

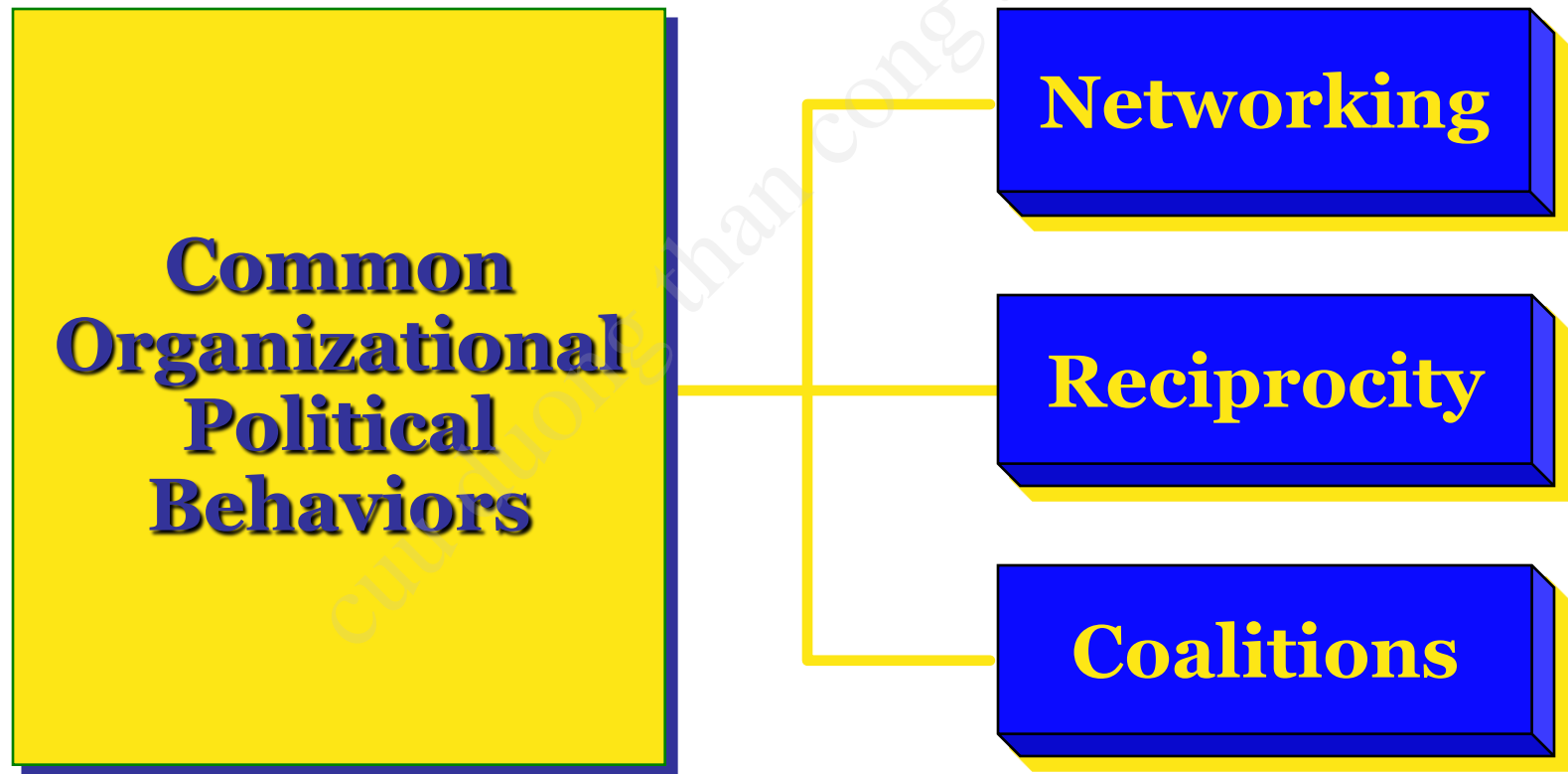
## Discussion Question #2

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Can management stop the use of power and politics in their organizations *and more importantly, should they stop the use of power and politics in their organizations?*

# Common Organizational Political Behaviors

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# Guidelines for Developing Political Skills

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- Learn the Organizational Culture and Power Players
  - Develop connection power through politicking
  - Learn the cultural shared values and beliefs
  - Learn who has power and what makes them tick and do favors for them.
- Develop Good Working Relationships, Especially with Your Manager
  - Learn to share goals and priorities with your manager
  - Make or beat all deadlines and ask your manager for advice
  - Never let your manager be embarrassed or surprised in public because of your actions
- Be a Loyal, Honest Team Player
  - Ethical behavior is important; do not backstab or gossip
  - Earn others' respect, confidence, and trust
- Gain Recognition
  - Find ways to let the power players know that you are doing a good job

# Negotiation

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- Is a process in which two or more parties are in conflict working to reach an agreement
- Is a core competency in life
- Common in:
  - Job searches
  - Labor relations
  - Sales

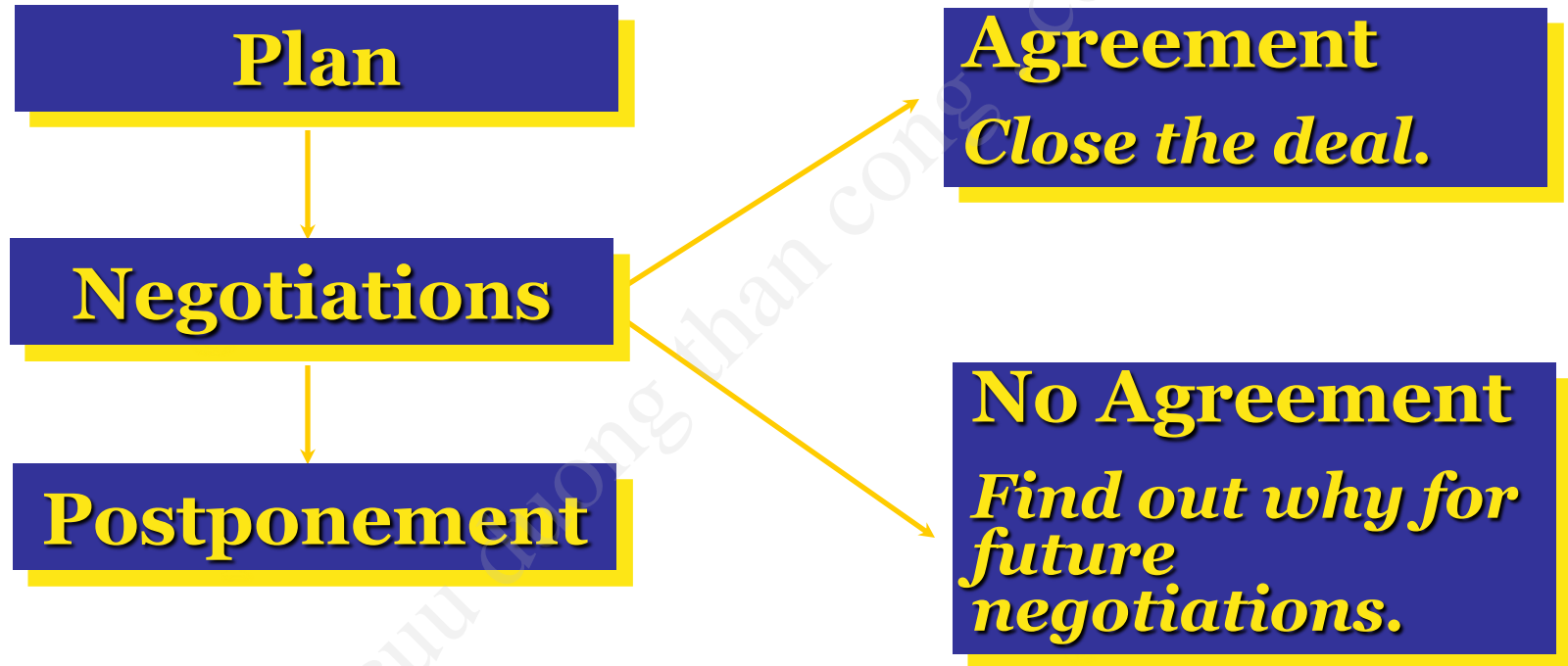
# Negotiating

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- ❑ Negotiation is often a zero-sum game; one party's gain is the other party's loss
- ❑ Sell your ideas to convince the other party to give you what you want
- ❑ Try to work toward a win-win result
- ❑ All parties should **believe** they got a good deal

# The Negotiation Process

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# The Negotiation Process: Plan

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- Research the other party(ies)
- Set objectives
  - Specific lower limit
  - Target objective
  - Opening objective
- Develop options and trade-offs
- Be prepared to deal with questions and objections (especially unstated ones)



# The Negotiation Process: Negotiations

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- ❑ Develop rapport
- ❑ Focus on obstacles, not the person
- ❑ Let the other party make the first offer
- ❑ Listen
- ❑ Ask questions
- ❑ Don't give in too quickly
- ❑ Ask for something in return

# The Negotiation Process: Postponement

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- When you are not getting what you want, you may try to create urgency
- When the other party becomes resistant, remember that a hard sell will not work
- If the other party is creating urgency, be sure it is really urgent
  - Don't be pressured into making a deal you may regret later
- If you do want to postpone, give the other party a specific time you will get back to them

# The Negotiation Process: Agreement

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- Get it in writing
- Quit selling
- Start working on a personal relationship

# The Negotiation Process:

## No Agreement

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- Accept that agreement isn't possible
- Learn from the failure
- Analyze and plan for the next time
- Ask the other party what you did right and wrong

# Ethics and Influencing

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- ❑ It pays to be ethical with influencing tactics
- ❑ Power is only unethical when used to promote your self-interest at the expense of others
- ❑ Used ethically, power helps to meet organizational objectives
- ❑ It is tempting to be unethical but the price is often high

# Ethics and Influencing (cont.)

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- ❑ Confront others for unethical political behavior
- ❑ Report unethical behavior in others
- ❑ Build networks based on mutually beneficial relationships
- ❑ Tell the truth in negotiations and demand the truth from the other party
- ❑ Use the stakeholders' approach to ethics and create a win-win situation