

Chapter 4

Influencing: Power, Politics, Networking, and Negotiation

Leadership and Influence

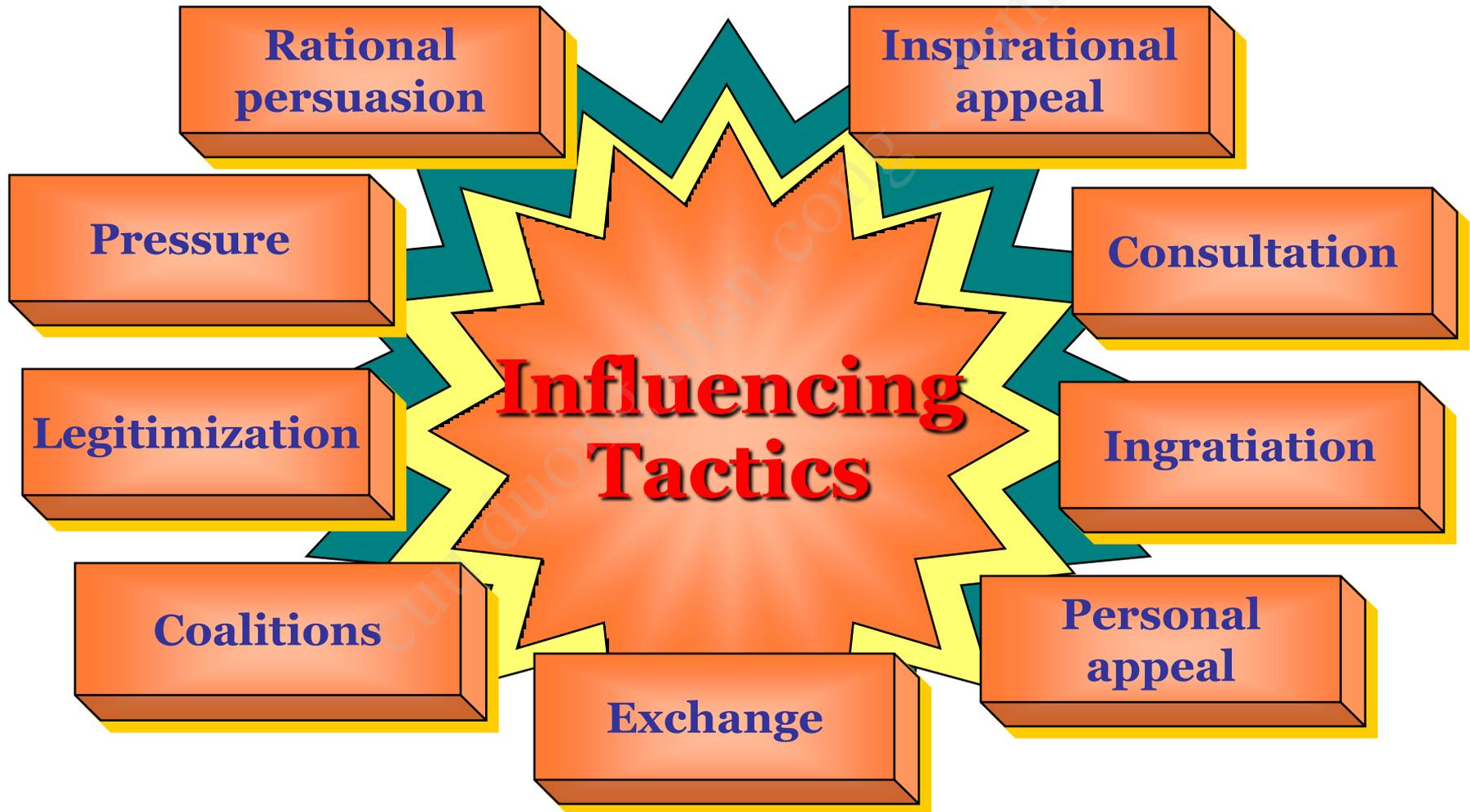
□ Leadership

- 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

- 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

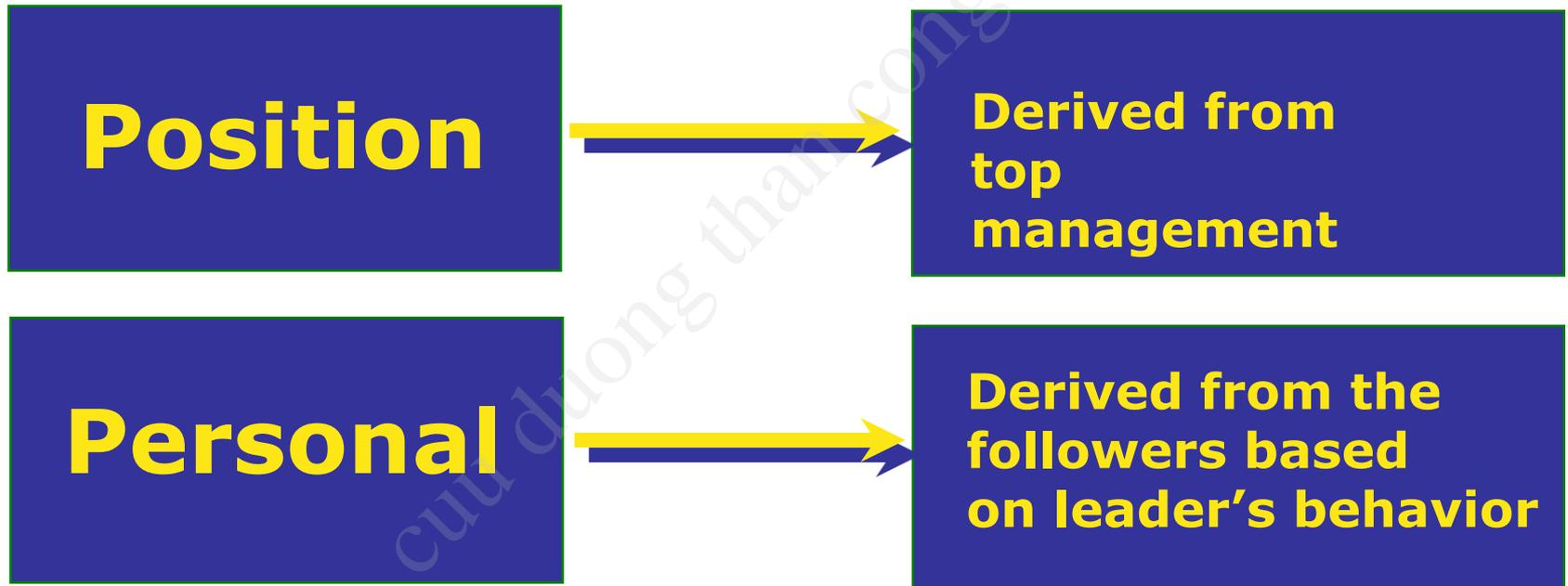
Discussion Question #1

Is power good or bad for organizations?

Power (cont.)

- ❑ 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



Position Power

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

Personal Power

- ❑ 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

□ 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.)

- 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.)

□ 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.)

- 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.)

□ 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.)

- 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.)

□ 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.)

□ 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.)

□ 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.)

- 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.)

□ 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.)

- 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.)

□ 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.)

□ 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

- ❑ 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

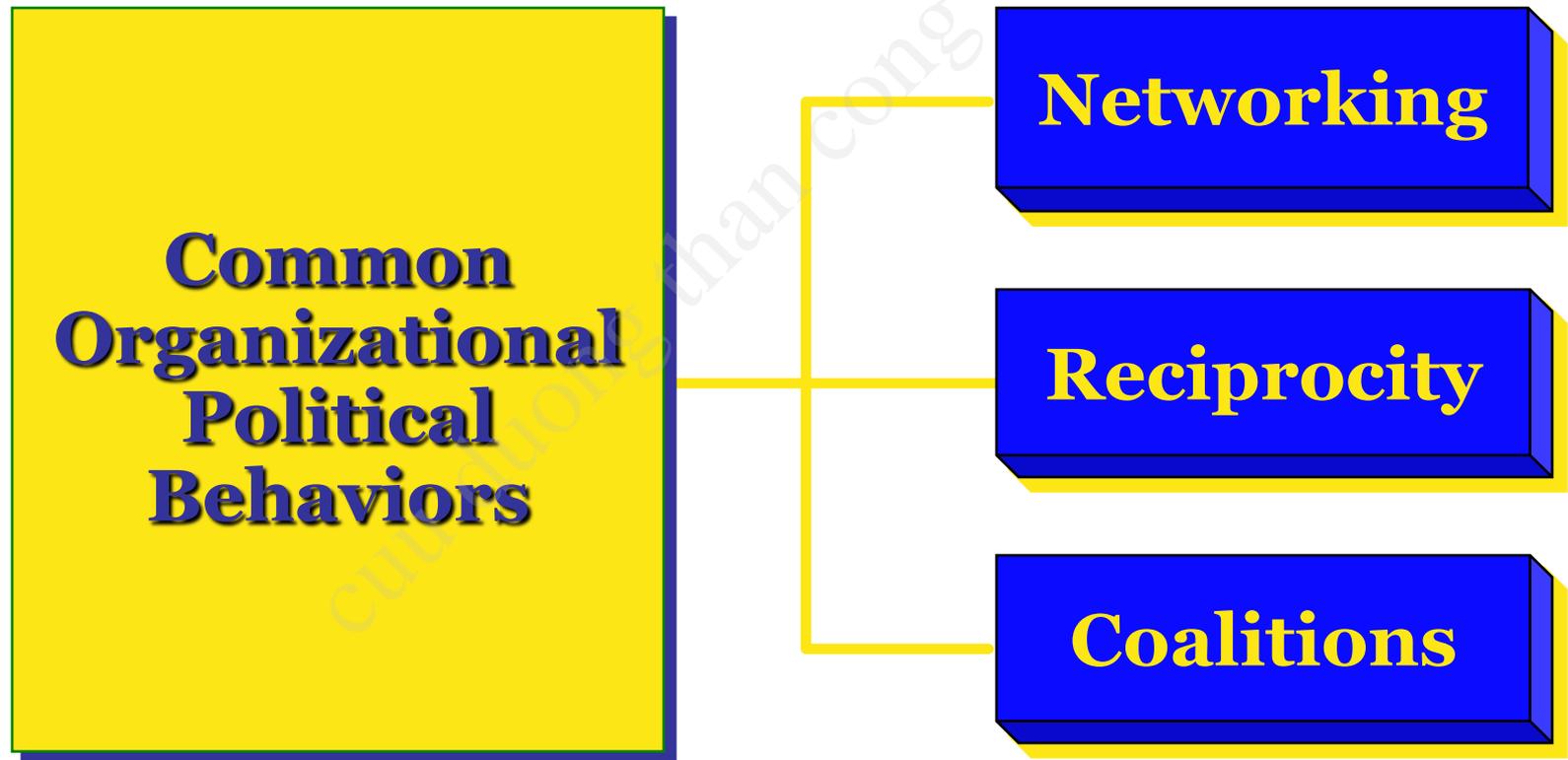
Politics

- ❑ 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

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



Guidelines for Developing Political Skills

- 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

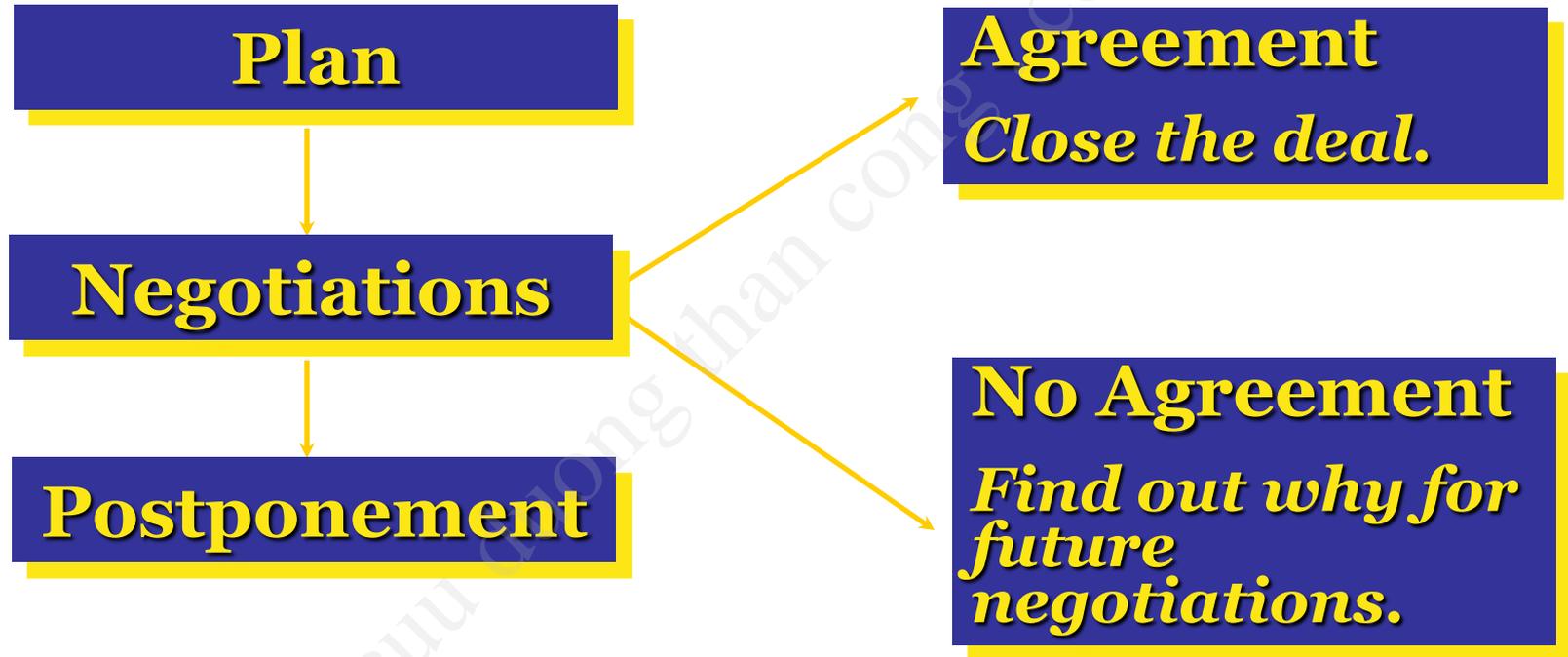
Negotiation

- 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

- ❑ 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



The Negotiation Process: Plan

- 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

- 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

- 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

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

The Negotiation Process: No Agreement

- 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

- ❑ 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.)

- ❑ 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