

Chapter 16 - Power and organizations

Answers to end of chapter questions

1. Why should we be interested in organizational power, given the distaste most people have for 'politicking' and conflict?

An interest and in-turn an awareness of the way in which organizations exert power over their employees and society in general transfers some of the power back to the those within organizations.

2. Organizational decision-making is less likely to reflect an underlying rational process than the relative power of the groups involved. Discuss.

The effect of relative power of groups can create a political environment within organizations so that any underlying rational decision making processes are ineffective.

3. Power is often said to be at its most potent when absent. What is meant by this?

This is describing the effect of a power which has such a strong hold that even in it's absence it succeeds in controlling a situation.

4. Outline Lukes's theory of power, and give examples of how power's 'three faces' are manifest in organizations.

One of the most widely influential models is that of Steven Lukes (1974). The first dimension was the most obvious one, power observable in the clash of interests between decision-makers (as stressed by Dahl). The second referred to the interests of certain groups being excluded from a particular bargaining arena (as in Bachrach and Baratz). The third, or radical, dimension referred to groups under power never being able to consciously formulate their real interests.

5. Contrast power as structure with power as process. How are these two perspectives evident in organizations?

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6. Distinguish the major organizational groupings by the different power resources they possess.

The social psychologists French and Raven, in a now-classic study (1959), developed a scheme of five categories of power, which reflected the different bases or resources that power holders rely upon. They identified reward, coercive, legitimate, referent and expert power.

- *Reward power* depends upon the ability of the power-wielder to confer valued material rewards, such as promotions or increases in pay or responsibility.
- *Coercive power* is the reverse side of this coin, in the sense that those who have the power to reward usually also have the power to punish. Thus coercive power might refer to the ability to demote or to withhold other rewards. In both cases, it is the desire for valued rewards or the fear of having them withheld that ensures the obedience of those under power.
- *Legitimate power* is identical with authority, and depends upon the belief of individuals in the right of senior people to hold their positions, and their consequent willingness to accept the power-holder.
- *Referent power* is based on the 'charisma' of the power-holder. Here the person under power desires to identify with these personal qualities, and gains satisfaction from being an accepted follower.
- *Expert power* rests on the skills or expertise of the person holding power. Unlike the others, this type of power is usually highly specific and limited to the particular area in which the expert is trained and qualified.

7. Outline three of the main organizational power tactics and give illustrations of their usage.

Three main levels of analysis can be distinguished: processual, institutional, and organizational. The first, processual power, focuses on the 'micropolitics' of organizational life, and stresses power as negotiation and bargaining. At the other extreme, the institutional perspective sees managerial power resting on external social and economic structures, so that power is explained as being *mandated* to the organization. Here, for example, Willmott (1987) has stressed that wider economic structures—class, ownership, the state—create beliefs about the inevitability of managerial authority. In this sense, managers can draw on a set of institutionally produced rules when they seek to exercise power, such as cultural beliefs about the 'right to manage'. The organizational level represents an arena in which strategic and structural forces combine. By far the strongest interest has been shown in this aspect, and in a sense 'organizational power' has come to mean the lateral relations within management and the specific power strategies that are used. Nor is the reason hard to find: the processual perspective has effectively opposed static systems models and emphasized power as a mobilizing force in organizational change.