

Designing Work Organization
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Lecture-33
Power and Organization

In this particular session of the power in organization, we will talk about the what is the power and individual versus the organizational power and also the power versus the authority, vertical sources of power, the power of the empowerment, horizontal sources of power, the end the case study, research papers, book recommendation references as usual. So, change comes from the power and power comes from the organization and in order to act people must get together. So, here we will find that is the whenever the change comes from the we have to make then definitely in that case that the top management basically when we talk about that is the managerial position. So, in the structure when we talk about the top management, middle management and lower management then every management is having that particular power and this particular power which in the order to act people must get together and here we will find that is the here we have to work together and people must have the working togetherness. So, what is the power? So, power is an intangible force in organizations, it cannot be seen but its effect can be felt. So, power is often defined as the potential ability of the one person for department to influence other people further departments to carry out the orders or to do something they would not otherwise have done.

So, other definitions stress that the power is the ability to achieve not goals or outcomes that power holders desire. So, the achievement of the desired outcomes is the basis of the definition used here. Always we are responsible getting the outcome or the results or the goal orientation is there. So, the achievement of these outcomes will be naturally depending upon that leader and the leader uses this particular power.

So, power gives you ability where the one person or department that he can influence the other people and to bring about the desired outcomes are there. So, it is a potential to influence the others within the organization with the goal of the attaining the desired outcomes from the power holders are there. So, it is becoming the necessary that is the power which the person is using, he should have that potential and ability. So, when he is having that ability to influence the others within the organization, then the goal of the attaining desired will be there. So, these powerful managers for instance are often able to get bigger budgets for their departments more favorable production schedules and the

more control over the organizational agenda.

This power exists only in relationship between the two or more people and it can be exercised in either vertical or the horizontal direction. Here these relationship of these power between amongst these the executives or the structures which we are talking about may be related to the production schedule is there or may be related to the budget is there or there may be the more control required in the organizational agenda related to the regularity of the workers, the productivity of the workers and all. So, therefore, we have to exercise our power in the vertical or the horizontal direction. And these are source of power often derives from an exchange relationship in which the one position department or organization provides the scarce or the valued resources to other people departments or organizations are there. So, here we always derive this type of these relationships are where we want to take these resources and these other people or departments are there.

When one is dependent on another, another powers relationship emerges in which the side with the resource has the greater power. So, it is becoming a very much important that is whatever the relationship is emerging that will be taking care of the creation of this particular source of the power is there. So, in individual versus the organizational power is there. If in popular literature power is often described as personal characteristics and a frequent topic is how one person can influence a dominant another person is there. Management of organizational behaviour course that managers have the five sources of the personal power and these legitimate power is the authority granted by the organization to the formal management position a manager holds.

And the reward power is there that stems from the ability to bestow the rewards a promotion raise or the part on the back to other people are there. So, it becomes very important that is these legitimate power and the reward power that has to be used in a proper manner. In the case when there is the not a legitimate power is there, then the in the case the person will not be able to use that particular power. And when we talk about the reward power is there. So, this reward power is a promotion raise or the part on the back to the other people are there.

These balancing is required between the legitimate power and the reward power is there. The authority to punish to recommend the punishment is called the corrective power and the expert power derives from a person's greater skill or the knowledge about the task being performed. The referent power is derived only from the personal characteristics. People admire the manager and want to be like or to identify with the manager out of the respect and the admiration is there. So, therefore, in the case whenever we are talking about the expert power is there, then this is a task or being the this has been performed and the referent power is derived from the personal characteristics people admire the

manager and want.

So, naturally in that case either the person is having this knowledge power and the knowledge power which will be giving him that is he is becoming the expert of that particular power and the authority to punish or recommend the punishment is whenever the person if he is not working then in that case definitely it is becoming this the punishment or the recommendation of punishment is there and that is about the coercive power is there. So, here you will find that is the you when you want to get these use of the referent power, then this referent power is to be there for the respect and the admiration is there. So, power in organization however, is often the result of the structural characteristics are there. So, organizations are large complex systems that may contain the hundreds even the thousands of people. These systems have a formal hierarchy in which the some tasks are more important regardless of whose performed them.

So, also some positions have access to more information and the greater resources or the other contribution to the organization is more critical. Thus, the important power processes in an organization reflect the larger organizational relationships both horizontal and the vertical is there. We have to understand that is the the organizations they they are required to create this type of the system in which the task are to be performed and whenever when we talk about the individual power then individual power may be the as we have seen coercive power, expert power is there. So, the the organizations are also having that organizational power and in some positions actually this is the organizational power is making the more influential than the individual power is there. Thus, the important the power processes in organization reflect the larger organizational relationships both the horizontal and the vertical is there.

So, that is the organizational structural power which we have talked earlier in the earlier sessions. So, it is important that is the whatever the results are there the power then anyone in an organization can exercise power to achieve the desired outcomes. For example, when the Discovery Channel wanted to extend its brand beyond the cable televisions Tom Hicks began the pushing for a focus on the internet. Even though Discovery CEO favored exploring interactive television instead Hicks organized a grassroots campaign that eventually persuaded the CEO to focus on internet publishing and the that Hicks had a power within the organization is there. So, eventually the Hicks was put in the in the charge of the running the Discovery Channel online the concept of the formal authority is related to the power but in narrower in scope.

So, authority is also a force for achieving the desired outcomes but only as the prescribed by the formal hierarchy and the reporting relationships and three properties

identify the authorities. So, first one is that is in the authority when we talk about is vested in the organizational positions people have authority because of the positions they hold not because of the personal characteristics or the resources they have. So, authority is accepted by the subordinates. So, the subordinates comply because they believe position holders have a legitimate right to exercise the authority. In most North American organizations employees accept that the supervisors can legitimately tell them what time to arrive at work and the task to be performed while they are there and what time they can go home.

So, authority flows down the vertical hierarchy, authority exists along the formal chain of command and the positions of the top of the hierarchy are vested with some more formal authority then are the positions at the bottom are there. These vertical sources of power all employees along the vertical hierarchy have access to some sources of power. So a large amount of power is typically allocated to the top managers by the organization structure people throughout the organization often obtain the power disproportionate to their formal positions and can exert influence in an upward direction. So, there are four major sources of vertical power, formal position resources, control of information and the network centrality is there. The formal positions are the certain rights responsibilities and the prerogatives accurate to the top positions.

People throughout the organization accept the legitimate right of the top managers to set goals, make decisions and the direct activities are there. This is the legitimate power as defined earlier senior managers often use symbols and the language to perpetuate their legitimate power is there and the allocation of the power to middle managers and the staff is important because the power enables employees to be productive. So allowing people to make their own decisions increase their power, access to the powerful people and the development of a relationship with them provide a strong base of the influence is there. Now when we are talking about the vertical sources of power then we talk about the resources. Organizations allocate the large amount of resources are there and buildings are can structured, cell reed are paid and the equipment and the supplies are purchased each year new resources are allocated in the form of budgets are there.

And these resources are allocated downward from the top managers, top managers often own stock which gives them the property rights over the resource allocation are there. In many of today's organizations however, employees throughout the organization also share in the honoring which increases their power. So with this ownership when they are increasing so naturally they are making the more and more powerful. Resources can be used as a reward and punishments also which are additional sources of power, resources allocation creates a dependency relationship and lower level participation depends on top managers for the financial and physical resource needed to perform their tasks are there.

Control of information, the control of information can be a significant source of power.

Managers recognize that the information is a primary business resource and do so by controlling what information is collected, how it is interpreted and how it is shared, they can influence the how decisions are made. In many of today's companies, the information is openly and broadly shared which increases the power of people throughout the organization. However, the top managers generally have access to more information than the other employees, the information can be released as needed to shape the decision of other people. The middle managers in the lower levels employees may also have access to the information that can increase their power. Now here I would like to talk about the information flow for the computer decision at the Clark Limited as a vertical source of power example.

Now here we find that is the board is there and the board is having this filtered information. Here information flow from the computer decision is from this going to be the Reilly systems analysts is there. So there will be the computer manufacturer and the Turner programmers are there, the input will be given by these computer manufacturers and the Turner programmers and here is the Kenny Direct organization and the methods are there. So how power is derived from the control of information, because the information is based with these people and therefore, the power is system analysts it goes to these particular director. So organization and methods are the power are here and naturally from this information goes to the board for the decision making process.

So here it becomes very important because here you cannot ignore this filtered information. And to the decision maker what type of this the information reaches that becomes very very important and accordingly the board will be able to take the decisions are there. So vertical sources in find we find that the network centrality is there. What is the network centrality? So network centrality means that is being centrally located on the organization and having access to information and people that are critical to the company success. Businesses as well as the lower level employees are more effective and the more influent in when they put themselves at the center of the communication network and there is a building connections and the people throughout the company.

The people at all levels of the hierarchy can use the idea of network centrality to accomplish the goals and be becoming the way more successful is there. So people can increase their networks centrality by becoming the knowledgeable and the expert about the certain activities or by taking on difficult task and acquiring specialized knowledge that makes them the indispensable to managers about them. There the physical location also helps because some locations are in the center of the things and the central location lets a person be visible to key people and become the part of the important interaction

networks. When we talk about the people the top leaders often increase their power by surrounding group of the loyal executives. So loyal managers keep the leader informed about in touch and with the events and in the report possible disobedience or the trouble making in the organization.

So top executives can use their central positions to build alliances and they exercise substantial power when they have a management team and that is fully in support of their decisions and the actions are there. Now many of the top executives they strive to build a cadre of loyal and the supportive executives to help them achieve their goals for the organization. Smart managers also actively work to build the bridges and win over the potential opponents are there. This power of empowerment in a forward thinking organizations top managers want lower level employees to have the greater power as they can do their jobs more effectively. So these managers intentionally push over down the hierarchy and share it with the employees to enable them to achieve goals.

So empowerment is the power sharing the delegation of authority to subordinate in an organization. So increasingly employees power heightens the motivation for the task accomplishment because people improve their own effectiveness and choosing the how to do a task and using their creativity. So empowering employees involves giving them three elements that enable them to act more freely to accomplish their jobs, information, knowledge and power. So employees receive information about company performance. In companies where employees are fully empowered all employees have access to all financial and the operational information.

Employees have knowledge and skills to contribute to the company goals. The companies use the training programs and other development tools to help the people acquire the knowledge and skills they need to contribute to the organizational performance. Employees have the power to make substance decision. Empowered employees have the authority to directly influence work procedures and the organizational performance such as through the quality circle or the self-directed work teams are there. The horizontal power pertains to the relationship across the departments, division or the other units.

All vice presidents are usually at the same level on the organization chart. Does this mean that is each department has the same amount of power? No, horizontal power is not defined by the formal hierarchy or the organization chart. Each department makes a unique contribution to the organizational success. Some departments will have a greater and will achieve their desired outcomes whereas others will not. In most firms sales had the greater power, in a few firms production quite powerful.

On average the sales and the production departments were more powerful than the R and D and the finance although substantial variation existed. So, differences in the amount of the horizontal power clearly occurred in those firms are there. Horizontal power is different to measure the because the power differences are not defined on the organization chart. However, some initial explanations for the power differences have been found. The theoretical concept that explains relative power is called the strategic contingencies.

Strategic contingencies are the event and actually both inside and outside an organization and data essential for the attending the organizational goals are there. So, department activities are the important when they provide the strategies value by the solving problem or crisis for the organization. However, the strategic contingency approach to the power suggests that the departments are organizations most responsible for dealing with the key resource issues and dependencies in the environment will become most powerful. So, what should be the power source? The Jaffer, Prefer and Gereldes, Slaneck among others have been instrumental in conducting the research on the strategic contingencies theory. So, their findings indicate that a department rated as the powerful many possesses one or more of these characteristics.

In some organizations, the five power source overlap, but each provides a useful way to evaluate the sources of the horizontal power. The following figure shows that the five horizontal sources of power are there. Now, here we find that is a strategic contingencies that influence the horizontal power among the departments. So, for example, maintenance in the cigarette factory, so dependency is there from then then the departmental power is there, power of sales is there. So, financial resources are there and this will be required with information prevention and absorption and that is the departmental power is required.

Then the centrality is there and then non-substitutability is there and this is the coping with the uncertainty and this way the departmental power is there. When we talk about the dependency, so interdepartmental dependency is a key element underlying the relative power and the power is derived from having the something someone else wants. The power of department A over department B is greater than department B depends on department A. Materials, information and resources may flow between departments in one direction such as in the case of the subsequent task interdependency is there. A department that depends on many other departments is in a low power position.

Likewise, a department in an otherwise low power position might gain power through the dependencies are there. If a factory cannot produce without the expertise of the maintenance workers to keep the machines working the maintenance department is in a

strong power position because it has control over a strategic contingency is there. When we talk about the financial resources, so control over resources is an important source of power in organization. So, money can be converted into the other kind of resources that data needed by the other departments. So, money generation dependency departments that provide financial resources have something other department wants.

So, department of that generate income for an organization have the greater power. This is because the sales people find customers and bring in money thereby removing an important problem for the organization. An ability to provide financial resources also explains why certain departments are powerful in the other organizations. So, the centrality is another dimension. So, it reflects a department's role in the primary activity of an organization.

One measure of the centrality is the extent to which the work of the department affects the final output of the organization. For example, the production department is more central and usually has more power than the staff group furnishing, no other critical contingencies are there. So, centrality is associated with the power because it reflects the contribution made to the organization. When the finance department has the limited task of the recording money and expenditure, it is not responsible for obtaining the critical resources for producing the product of the organizations. Today, finance departments have greater power in many organizations because of the greater need for the controlling cost is there.

Then the non-substitutability is there. So, power is also determined by the non-substitutability, which means that a department's function cannot be performed by other readily available resources. So, if an organization has no alternate sources of skill and information, the department power will be greater. This can be one reason top managers use outside consultants. Consultants might be used to substitute for the staff people and to reduce the power of the staff groups are there, coping with the uncertainty. So, elements in the environment can change swiftly and unpredictable and complex.

In the face of this uncertainty, little information is available to managers on appropriate courses of action. Departments that reduce the uncertainty for the organization will increase their power is there. When the market research personnel accurately, the product changes in the demand for the new products and they gain power and prestige because they have reduced a critical uncertainty. So, but the forecasting is only one technique. So, sometimes uncertainty can be reduced by taking quick and appropriate action after an unpredictable event occurs.

This is a case study which is talking about the health, the legal departments of the

hospitality usually wields a lot of power owing to the fact that the healthcare providers have to often deal with the complicated legal and regulatory matters. This was the case with the health city trauma center and the super specialty hospital based in Lucknow, Uttar Pradesh, India as well. So, launched fairly recently for years, it is a legal departmental for the state government as well as various city authoritarian departments to get the permission for building and then eventually operating the hospitals. Since then the legal departments has been preoccupied with not only regulatory issues, but also trying to get the those patients to pay up to the water claim that they are incapable of paying as they are not financially well off. Along with this, they have also been trying to convince as well as even the pressurize the residents located close to the hospital to give up their houses so that the hospital can expand its infrastructure.

A lot of competitions have criticized the health city for being the overpriced and the negative pressure resulting from all of the above mentioned factors has led the public relation department of the hospital to the endowed with more power since the department is continuously involved to the in efforts of correcting the hospitalities image in the eyes of the public. By emphasizing that they use only requested the residents and made very generous offers in return of their land and then that they have only sued those patients whose they believed had ability to pay. So, horizontal power relationships in organization changes in a strategic contingency change. Whereas the legal department will likely continue in a high power position at health city, we need of the hospital to improve its reputation and defend the growing criticism could lead to an increase in the power of the public relations department. Departments that help organizations cope with new strategic issues will increase their power.

This is the research paper, the examination of the power and politics in a conservation organization is there. The purpose of this research paper has been searching the evidence of the corporate, economic, social and environmental sustainability, the holy grail of the corporate success in a social and environmentally conscious world of this the future and the vast majority of the entities that researchers have investigated have focused on the primary goal of the profit around maximization with only vaguely articulated if any social and environmental targets. Very little research has been understood into expose the inner working of the organizations in this particular paper that has talked about expose the inside details of an organization that tried but failed and as a highlight is the role of the power and politics in its demise are there. So, some important lessons were highlighted particularly the need to develop and establish the shared understanding. It is suggested that for a business to move closer to being sustainable rather than allowing one of these existing paradigm to dominate and new their business model needs to emerge.

So, this paper is helping the understanding the activities on a large commercial scales in a controversial notion and this will this investigate that is an important experiment in the quest for the sustainability and reveals the valuable lessons that may guide the other organizations they follow in this. This is a book that is about the power and organizations, Authors: Stewart R Clegg, David Courpasson, Nelson X. Philips is there and this book talks about the that is how the evolution of the theories on power and organization presenting not only the theories with the identify power as a positive but also dealing with the negativity of the power and the real horror of which organizations are capable, which has thus had been underplayed in organization theory at the core of the organizational power projects or organizational and elites whose politics and projects are examined extensively in the book. The book also concludes by examining the implications of the organizational and its elites of their trends, tendencies and theories considered in the course of this particular book. This book is required regarding for the graduate students and the researchers in a area such as the organization, social and the political theory.

These are the references are there, please kindly go through these are detailing in the references and you will find there are the many references are there which are talking about the journals and the books are there. A suggested please refer these journals for the research, so you can understand that is the how the power is having the different dimensions which are influencing the workplace is concerned. Many times it has been seen that is the expert powers and they are having their own strengths and weaknesses are there. So, you will find in references that is the how the power can be positive or negative that you can refer from these references and then can comment on that is the whether this particular power positioning is good or bad is there. These are the another references which are talking about the research papers and the books are there.

I will suggest you that is please go through these books and then you will find that is what you are getting the more in-depth understanding of the power and politics in the organization is there. Thank you very much.