CHAPTER 14
CONFLICT, POWER AND POLITICS

Intergroup Conflict in Organizations

- **Intergroup conflict** occurs when participants identify with one group and perceive that other groups may block their group's achievement.
- It requires **three ingredients**:
  - Group identification.
  - Observable group differences.
  - Frustration.
- *Conflict* is similar to *competition* but more severe.
- In general, conflict hampers the organization's achievement, while competition may increase an organization's productivity.

Sources of Conflict

- **Goal incompatibility**
  - Probably the greatest cause of intergroup conflict.
  - The achievement of one department's goals often interferes with another department's goals.
- **Differentiation**
  - The differences in cognitive and emotional orientations among managers in different functional departments.
- **Task interdependence**
  - It refers to the dependence of one unit on another for materials, resources or information.
- **Limited resources**
  - The desire to obtain resources may cause conflict.

Sources of Conflict and Use of Rational versus Political Model

Power and Organizations

- **Power** is the potential ability of one person to influence other people to bring about desired outcomes.
  - It is an intangible force in organizations.
- Individual versus organizational power:
  - *- Legitimate power*
  - *- Reward power*
  - *- Coercive power*
  - *- Expert power*
  - *- Referent power*

Power versus Authority

- **Authority** is a force for achieving desired outcomes, as prescribed by the formal hierarchy and reporting relationships.
  - It is related to power, but narrower in scope.
- Three properties identify authority:
  - Authority is vested in organizational positions.
  - Authority is accepted by subordinates.
  - Authority flows down the vertical hierarchy.
- Power can be exercised upward, downward and horizontally.
- Authority is exercised downward along the hierarchy.

Vertical Sources of Power

- **Formal position**
  - ***Legitimate power*** is the power from a formal position.
  - Power is accrued to top positions.
- **Resources**
  - Resources can be used as a tool for adding power.
- **Control of decision premises and information**
  - Constraints placed on decisions.
  - Control of information can also be a source of power.
- **Network centrality** means being centrally located in the organization and having access.
- **People** – loyal executives/managers.

Sample Information Flow for Computer Decision

Horizontal Sources of Power

- **Horizontal power** pertains to relationships across divisions or departments.

  - It is not defined by the formal hierarchy.

- **Strategic contingencies** are events and activities both inside and outside an organization that are essential for attaining organizational goals.

  - Groups are most responsible for key organization issues.

Horizontal Sources of Power

- **Dependency**
  - A department that depends little on other departments is in a high power position.
- **Financial resources**
  - **-** Departments that generate income for an organization have greater power.
- **Centrality** reflects a department's role in the primary activity of an organization.
- **Non-substitutability**
- **Coping with uncertainty**
  - Obtaining prior information.
  - Prevention.
  - Absorption.

Strategic Contingencies That Influence Horizontal Power among Departments

Political Processes in Organizations

- **Politics** is the use of power to influence decisions in order to achieve desired outcomes.

  - It is intangible and difficult to measure.

- **Organizational politics** involves activities to acquire, develop, and use power and other resources to obtain the desired outcomes.

- Politics is used when uncertainty is high and there is disagreement over goals or problem priorities.

- Three **domains of political activity**:

  - Structural change.

  - Management succession.

  - Resource allocation.

Power and Political Tactics in Organizations

Tactics for Increasing Power

- **Enter areas of high uncertainty**

  - Identifying key uncertainties and taking steps to remove those uncertainties can increase a department's power.

- **Create dependencies**

  - Power can also be increased by incurring obligations.

- **Provide scarce resources**

  - Departments that accumulate resources and provide them to an organization will be powerful.

- **Satisfy strategic contingencies**

  - A contingency could be a critical event, a task for which there are no substitutes.

Political Tactics for Using Power

- **Build coalitions and expand networks**
  - Networks can be expanded by (1) reaching out to establish contact with additional managers and (2) co-opting dissenters.
- **Assign loyal people to key positions**
  - Top leaders frequently use this tactic to achieve desired outcomes.
- **Control decision premises**
  - e.g. Choose or limit information provided to other managers.
- **Enhance legitimacy and expertise**
- **Make a direct appeal**
  - Political activity is effective only when goals and needs are made explicit.

Tactics for Enhancing Collaboration

- **Create integration devices**
  - Use teams, task forces and project managers who span the boundaries between departments.
- **Use confrontation and negotiation**
  - This is more likely to be successful when managers engage in a win-win strategy.
- **Schedule intergroup consultation**
  - Workplace mediation.
- **Practice member rotation**
  - Individuals become submerged in the values, attitudes and goals of the other department.
- **Create shared mission and superordinate goals**

Negotiating Strategies

Summary and Interpretation

- Conflict, power, and politics are natural outcomes of organizing.
- Two views for organizations are: rational and political models.
- There are vertical and horizontal sources of power.
- Vertical sources of power include formal position, resources, control of decision premises and network centrality.
- Horizontal sources of power include dependency, financial resources, centrality, nonsubstitutability and the ability to cope with uncertainty.
- Certain characteristics make some departments more powerful than others.
- Political tactics include coalition building, expanded networks and control of decision premises.
- Five tactics can be used to enhance collaboration.