

Building Your Power Base



In a Nutshell

Who would want to work for a weak manager? Managers need power to do their jobs, because their jobs require them to influence others. Consequently, managers who feel powerless to influence others experience a tremendous amount of frustration and stress. Their staff members tend to feel frustrated too.

Positions of authority confer power to the people who hold those positions. However, managers who rely solely on their **formal authority** to influence others will find that it doesn't inspire their staff, and can even demoralize them. Hence, it helps to also derive power from other sources. **Charisma** and having **personal appeal** are sources of power too. Power can also be developed by **becoming an expert** or by **performing a critical role** for the firm.

In This Issue

- [Meg Whitman Can Buy-and-Sell Warren Buffet--and She Did!](#)
- [Bases of Social Power](#)
- [Link to the LeaderLetter on Using and Resisting Influence](#)
- [About the Newsletter and Subscriptions](#)
- [A Good Clean Joke](#)
- [LeaderLetter Web Site](#)

Meg Whitman Can Buy-and-Sell Warren Buffet--and She Did!

Meg Whitman, CEO of eBay, tops *Fortune* magazine's 2004 list of the most powerful women. She can buy-and-sell Warren Buffet and indeed she did! More specifically, eBay hosted an auction of a lunch date with Warren Buffet (it sold for \$202,000). It's probably more accurate to say that Whitman's business brought together the potential buyers and the seller of some of Warren Buffet's time, but saying she bought-and-sold him is obviously more fun! (By the way, eBay permits selling lunch dates, but now bans sales of one's virginity.)

In the interview for the *Fortune* article, Whitman shunned the mantle of "most powerful." My theory is that since most of us have experiences with people who either (a) used distasteful means to acquire power, or (b) exercised power inappropriately, we shrewdly avoid creating the appearance of liking power or even having a lot of power. We don't want to be seen as "power hungry" or dictatorial.

Nevertheless, Meg Whitman can't do her job without power. Without sufficient power she would be unable to influence others to do what eBay needs to have done in order to succeed. There are obviously a lot of self-serving reasons for managers to build their power bases, and I would never suggest that building a power base should be a manager's first priority. But, when acquired honestly and used ethically, power in organizations isn't inherently evil. In fact, it's quite necessary for managers. Power in organizations is simply the ability to

influence others. Leadership requires power. Indeed, leadership can be defined as influencing others to work toward a common goal. Without power, managers are unable to lead.

Whitman "enables" her followers to perform at a high level: "Enable, not direct. Use carrots, sticks." Of course, in order for that approach to work, the manager has to have control over the proverbial carrots. The ability to reward others for performing in a manner consistent with your expectations is a base of power.¹

Bases of Social Power

The bases of social power are very diverse, and no list is ever complete. Over time, *LeaderLetter* subscribers have shown me bases of power that I hadn't thought of. Nonetheless, the commonly identified bases of power fit pretty well into two categories; position-related factors and personal factors.

Position-related factors. Position power comes from the legitimacy inherent in many positions, the ability to provide rewards, the ability to coerce, access to valuable information and performing a critical function.

Legitimate power allows leaders to motivate others simply because they hold the leadership position.

Sometimes we comply with the wishes of a leader just because of the societal expectations for us to do so. For instance, if Colin Powell shows up at your club's luncheon and wants to say a few words, you let him. Why do you give him that privilege? *Stupid question.* He's the Secretary of State! You just do that sort of thing for someone in his position. That's legitimate power.

That kind of legitimacy isn't always very strong for managers who are promoted to a position in which they must supervise their former peers. If the former peers have any difficulty adjusting to their managers' new positions, legitimacy will be kind of weak.

Reward power is the ability to provide incentives to others if they will cooperate with you. Managers who can affect their direct reports' income, perks, job assignments, etc. are able to offer rewards in exchange for compliance. Having a high degree of reward power really helps a manager influence others.

Coercive power is the ability to punish or intimidate. It's often said that unions eliminate management's ability to sanction uncooperative employees. That may be a bit of an exaggeration, but when collective bargaining agreements state that management can only terminate employees with cause, management does have restricted ability to coerce cooperation. Managers should use coercion with great care anyway. Coercion only motivates minimal cooperation and breeds resentment.

Access to valuable information produces power because valuable information is a resource that can be exchanged. Back in the days when managers had secretaries do all their typing and schedule their meetings, some secretaries had access to a lot of important information. Consequently, people who were nice to secretaries were able to get information and access to key personnel that jerks couldn't get. Even without having formal authority, the secretaries did have power, and shrewd business people treated secretaries with respect.

Performing a critical function confers power, but only to the extent that the individual or group performing the function is irreplaceable. One of my favorite examples of criticality and irreplaceability as they pertain to power comes from NBC's television show, *West Wing*. At the end of the first season, the producers were expecting to have to renegotiate a lot of the actors' contracts. The producers wanted to bring the whole cast back because audiences don't react well to new actors playing established roles or to roles that are clumsily dropped from the story. Thus, each actor was critical and irreplaceable. Of course, producers don't have to replace an actor whose character died. So, the writers arranged to have the *West Wing* season finale end with a gunshot that could have killed any of the critical actors. It wasn't until the second season that we found out who got hit. By making the actors less critical, the producers reduced the actors' negotiating power.

Personal factors. A number of personal qualities can also contribute to a person's power in an organization. **Expertise** that can be used in exchange for favors is a form of power. For instance, if you're an expert with PowerPoint you can help colleagues put together their presentations, and you can get favors from them in return.

Likeability, or any kind of personal attractiveness, also gives you power. If people like to be around you because you're witty, friendly, famous or good looking, you're also likely to be pretty persuasive. We all want to do favors for people we like, up to a limit anyway.

Charisma has multiple meanings. A person with charisma has a special interpersonal appeal. Charisma can be viewed as a particularly strong form of likeability or attractiveness. That's the kind of charisma that Princess Diana had. Charismatic leaders, on the other hand, communicate a vision that's very appealing and they energize others to pursue it with them. If you want to be a charismatic leader, (a) you have to have an ambitious vision for the group you're leading, (b) you have to be excited about it, (c) you have to be confident in the

group's ability to achieve that vision, and (d) you have to be able to communicate your vision, excitement, and confidence. That's the kind of charisma that Winston Churchill had.

Persuasive ability, which is clearly associated with the ability to influence others, is another personal source of power. Intellectual problem solving abilities (e.g., rational problem solving ability, creative problem solving ability, inductive reasoning ability) help people influence others. So do interpersonal persuasion skills. On the list of influence tactics, "reason" is generally considered the best way to influence others. It's ranked above "reciprocity," which draws on reward power (e.g., a bonus in exchange for exceptional performance), and "retribution" which uses threats and intimidation. To the extent that reason is a great way to influence others, possessing the ability to reason with others is a great power base.

Credibility is an important personal base of power. We are more likely to be persuaded by and follow someone with high credibility than we are someone with low or no credibility. Credibility comes from integrity, character, competence, and the ability to lead. **Integrity** means being open and sharing information that people need and have a right to know. Hidden agendas undermine integrity. So does the unwillingness to provide truthful, well-intentioned, constructive criticism. Honesty also has to be tempered with discretion. Managers need to show discretion and not say negative things about people as gossip or with the intent to hurt, even if those negative things are true. Remember the lesson from the movie, *Jerry Maguire*, "brutal truth" can be a bad thing. **Character** is the strength to do what needs to be done in difficult times. A basketball team has character if it tends to play well at the end of close games. A businessperson demonstrates character by acting in a moral and ethical way despite pressures or self-interests that push them to do otherwise. **Competence** is one's knowledge and skills that pertain to a given situation. When someone tries to reason with you and gain your support for a certain course of action, their competence in that area affects their persuasiveness. If they don't know what they're talking about, you're not going to be influenced. Competence contributes to credibility, and credibility allows one person to influence another. Finally, the ability to lead contributes to managers' credibility. Would you enthusiastically follow a leader who is unable to inspire others, manage conflict, delegate tasks or coordinate activities? No matter how much you respect a leader for her task-related knowledge, integrity and character, you'll have reservations about working hard for her if she doesn't demonstrate the ability to lead.

How do managers use their power to influence others? See the *LeaderLetter* on [using and resisting influence](#).

In Summary ...

Managers must have power, and they would do well to develop more than just the ability to reward and punish others. Having resources and information that can be exchanged for cooperation is also helpful. Having personal qualities that inspire confidence and a willingness to follow might be even more useful. Nevertheless, all are sources of power.

Footnote

1. Sellers, P. (2004). eBay's Secret. *Fortune*, Vol. 150, Issue 8 (Oct. 18): 160-178. (Whitman's quote is from p. 172.)

Additional Source

Robbins, S. P. (2001). *Organizational behavior*, (9th ed.). Englewood Cliffs, NJ: Prentice Hall.

[back to the top](#)

About the Photo

AFP/File/Laurent Fievet, e-mailed to me October 25, 2004 from *Yahoo! News* (<http://news.yahoo.com>).

About the Newsletter and Subscriptions

LeaderLetter is written by Dr. Scott Williams, Department of Management, [Raj Sooin College of Business](#), Wright State University, Dayton, Ohio. It is a supplement to my MBA 751 - Managing People in Organizations class. It is intended to reinforce the course concepts and maintain communication among my former MBA 751 students, but anyone is welcome to subscribe. In addition, subscribers are welcome to forward this newsletter to

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[back to the top](#)

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Whether you are one of my former students or not, I invite you to share any insights or concerns you have regarding the topic of this newsletter or any other topic relating to management skills. Please [e-mail](#) them to me. Our interactions have been invaluable. **I learn a lot from *LeaderLetter* subscribers!** Let's keep the conversation going.

A Good, Clean Joke

News Story: "Top doc backs picking your nose and eating it "

Picking your nose and eating it is one of the best ways to stay healthy, according to a top Austrian doctor. Innsbruck-based lung specialist Prof Dr Friedrich Bischinger said people who pick their noses with their fingers were healthy, happier and probably better in tune with their bodies.

He says society should adopt a new approach to nose-picking and encourage children to take it up.

Dr Bischinger said: "With the finger you can get to places you just can't reach with a handkerchief, keeping your nose far cleaner.

"And eating the dry remains of what you pull out is a great way of strengthening the body's immune system.

"Medically it makes great sense and is a perfectly natural thing to do. In terms of the immune system the nose is a filter in which a great deal of bacteria are collected, and when this mixture arrives in the intestines it works just like a medicine.

"Modern medicine is constantly trying to do the same thing through far more complicated methods, people who pick their nose and eat it get a natural boost to their immune system for free."

He pointed out that children happily pick their noses, yet by the time they have become adults they have stopped under pressure from a society that has branded it disgusting and anti social.

He said: "I would recommend a new approach where children are encouraged to pick their nose. It is a completely natural response and medically a good idea as well."

And he pointed out that if anyone was really worried about what their neighbour was thinking, they could still enjoy picking their nose in private if they still wanted to get the benefits it offered.

Source: ananova.com

[back to the top](#)

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