

# The Impacts of Power and Politics in Contemporary Business Organizations and it's Influence on Employee's Productivity

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***Abstract:** Power may be utilized to accomplish tasks in some situations, but it can also be abused, and politics is the influence that comes with having power. Whether an employee use positive or negative power to exert influence over other employees determines the impact of power in modern corporate organizations. In a commercial organization, political conduct permeates organizational life and frequently bestows power on those who lack it due to their organizational position, which is why building and utilizing power is emphasized. In order to accomplish organizational goals and objectives, power and politics should be used in a balanced manner.*

***Keywords:** Organization, Organizational life, Politics, Political Behavior, Power.*

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## INTRODUCTION

According to an old saying, "it is about who you know, not about the knowledge or skill you possess." Gaining the favour and attention of individuals in positions of authority, or "the powers that be," is crucial to power dynamics and politics in commercial companies. This allows one to secure advancements and influence at the right times. Power is the attribute, capability, or right to exert influence on people or things. It can also refer to having political control over a country or a certain area, as well as over an individual or organization that has a lot of influence over other people or groups. It also refers to the ability to direct available energy and resources towards some goals rather than others. Power can mean different things to different people. While some people think that power

is corrupt, others believe that being in a position of authority helps them feel more successful overall, while yet others are completely opposed to having any kind of power at all. One key concept that is dynamic or malleable in an organization's behaviour is power. It's the capacity to influence someone to do what you want them to or to make things happen the way you want them to.

It's critical to distinguish power from authority with clarity. Influence is the ability to change other people's expectations in order to typically change their behaviour in a way that makes them happier, which increases productivity and effectiveness. One outcome of influence is the use of power. How other people act in response to your exercise of authority serves as evidence of it. Authority is the legal right to direct and coerce others to act against their better judgement, but it can only be exercised while an organization is open for business.

Pfeffer (1992:30) defined politics as the processes, behaviours, and mindsets that are employed to actualize and take advantage of potential power. Politics are rife and power is everything in organizations. Power and politics must be recognized as important organizational dynamics. Every employee in the company aspires to be at the top of their profession—that is, to be at the top of the organization. The desire is what mostly motivates this aim. Seeking authority as opposed to monetary gain. Workplace politics often have a negative undertone due to the unpleasant prevailing behaviours connected with employees hatching schemes to rise to the top. One can opt to stay away from poisonous office politics by avoiding those who gossip about other employees and/or take credit for tasks they didn't do. Organizational politics can spiral out of control when colleagues go to great lengths to harm one another's reputation at work in an attempt to advance.

### **Organizational Power**

"Power is the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance," Max Weber wrote in 1947. The pursuit and retention of power is one of the most socially stimulating activities that take place in modern institutions. Three groups of people are always involved in the power struggle in businesses, especially small and medium-sized ones: the firm owner(s) has the power to influence staff promotions and sway decisions in their favour. Top managers are also involved in the power struggle because they oversee daily operations and have a big say in organizational decision-making. The third category consists of the "top performers". Without them, the company could not continue to operate because of their high productivity, they have the ability to influence some decision-making authority. According to John French and Bertram Raven (1959), there are five (5) distinct forms of authority in businesses. These are listed and defined below: Forcible authority: This is the most fundamental type of authority in the workplace or within a company. It is used when a superior threatens a subordinate with various penalties if certain tasks or obligations are not carried out or finished accurately and on time. That is obtained by threatening other individuals. It is critical to recognize that coercive action works best in situations where the business is experiencing a serious crisis. It can also be used in circumstances where management changes and transitions

will result in lower personnel levels. As an example, think of a vice president of sales who threatens to fire salespeople if they don't reach their goals.

**Legitimate power:** Being in a position of authority inside an organization—being the boss or leading a team, for example—is the source of this power. It happens when subordinates to someone in a position of power carry out instructions because they believe the person has the right to. For example, the CEO determines the overall direction of the organization and the resources that the organization needs.

**Reward power:** Subordinates receive rewards and incentives when they obey orders and do tasks that a superior has assigned them. Reward power includes things like bonuses, wage increases, promotions, longer vacation time, public recognition, and more. Increasing the productivity and efficacy of subordinates is the main objective of reward power.

**Referent power:** Company leaders have enhanced their referent power by delegating a significant amount of responsibility and work to their employees. This type of influence is best achieved in an environment where there is a low employee turnover rate and interpersonal relationships exist. This authority stems from having trust and respect.

**Expert Power:** This type of power comes from one's skills, knowledge, and experience in life. Humans naturally respect and obey those who are knowledgeable in a particular field. It reassures subordinates that their superior has expert power because they believe that his wealth of knowledge will enable him to provide wise counsel.

“Power” is the last disparaging term used by Americans, according to Kanter (1979); Talking about money and sex is much easier than talking about power, she said materials, and help needed to finish a task as well as the ability to get cooperation in carrying out necessary actions are the two types of capacities that define the success of power. After analyzing the effects of power at different organizational levels, she came to the conclusion that there are three (3) main sources of power: information, supply and support networks.

The premise that behaviour inside organizations is a power struggle in which many people, referred to as Influencers, vie to direct the organization's decisions and actions forms the basis of Mintzberg's (1983) thesis. He made a distinction between two types of Influencers: the first is external and includes coworkers, employee associations, owners, and the general public; the second is internal and includes the organization's ideology, support personnel, and technology infrastructure. Baldrige (1997) asserts that, an organization has numerous conflicting objectives. Different alliances gain influence over one another, and some objectives become more important than others.

#### Attaining and Using Power and Influence

A large portion of a manager's time is devoted to power-oriented conduct, which is any action intended to establish or make use of relationships with people who are willing to comply totally or partially with one's demands.

Lateral, upward, and downward influence are the three facets of management power and influence. Effective managers build and maintain their positional and personal power in order to exercise these lateral, upward, and downward influences.

### **Structuring Position and Personal Power**

There are three (3) ways to structure and attain position and authority, which are as follows:

- ✓ Increasing an organization's criticality and centrality.
- ✓ Raising the task priority of individual and group actions.
- ✓ Making an effort to formulate tasks in a way that makes evaluation challenging.

One needs personal authority to structure knowledge through additional education and training, project involvement, political savviness, and likeability enhancement.

### **Conduct of Powerful Leaders and Managers**

In addition to increasing the possibility that their staff members may eventually rise within the organization, strong managers and leaders also tend to provide their teams greater general authority within a business. They often achieve great success. Here are a few instances of what effective leaders do: They see talent as a resource that can be put to use, delegate decision-making authority, change people's working environments, take chances and encourage innovation, distribute power widely, and foster people's growth.

### **Conduct of Powerless Leaders and Managers**

In a commercial organization, the powerful managers and leaders are the exact opposite of the powerless ones. They often weaken the group's overall influence and lessen the likelihood that their subordinates will advance quickly. They are usually incredibly ineffectual. The following is a list of some of their actions:

- They adhere to the rules and avoid taking chances.
- They constantly oversee.
- They don't assign authority to make choices.
- They frequently mistrust subordinates and view people's abilities as a danger.
- They fiercely concentrate on their work and defend their domain.

### **Organizational Politics**

Organizational politics is the framework and method of influencing the definitions of goals, orientations, and other organizational elements through the use of authority and power. It can

be defined as the application of influence management to accomplish objectives not permitted by the organization or to accomplish authorized objectives through the use of unapproved influence techniques.

Divergences in individuals' self-interest give rise to the essential role of politics. It is the ability to deftly negotiate a settlement or compromise between opposing interests. Power is employed to formulate socially acceptable objectives and plans of action that balance the needs of the collective and the individual. Political conduct is the pursuit, development, and use of power for the sake of achieving an objective. It usually manifests itself when there is uncertainty or conflict over options. It frequently occurs outside of officially acknowledged channels. It is an approved, unofficial way to accomplish a goal. Political conduct is used to sway decisions, get scarce resources, and persuade others who are not in positions of direct control to cooperate. Two characteristics of political behaviour are power and influence.

### **Dynamics that Contributes to Political Conduct in Business Organizations**

It's important to recognize that, in its purest form, politics is the belief that there are disparate interests and that society ought to provide a forum for individuals to discuss and compromise in order to settle differences. According to Morgan (1986), Aristotle believed that politics was a means of balancing the demands of the city-state for unity with the fact that the polis was composed of a multitude of individuals. He thinks that using politics to settle disputes and avoid autocratic forms of government is possible. Building on this basic idea, political science and different governmental structures have recognized and acknowledged the attempt to create a non-coercive social order, and in doing so, have encouraged politics. (Morgan, 1986)

Tom Burns, a sociologist from Scotland, observed that because most modern businesses are depicted as cooperative rather than competitive, they actively promote a range of political behaviours. While completing a common task requires cooperation, people are often obliged to compete with one another for scarce resources, opportunity for professional advancement, and other objectives. It is probably going to be very vital to battle for the top rank because there are more jobs at the bottom than at the top. In addition to the fact that various individuals and groups are mandated to exercise authority and sway over their subordinates, the hierarchy will fundamentally provide the kind of competition that nurtures organizational politics. Numerous organizational and human elements impact political behaviour in a business setting (Dubrin, 2001, p. 204-5):

#### **Pyramid-shaped organization structure:**

A pyramid's peak is where power is centralized. As a result, many people who want more power can receive a high degree of authority. Every layer below the top layer in the organizational hierarchy has less authority than the layer above it. The bottom employees in the company don't have a lot of power.

#### **Individual ideals of performance:**

People utilize organizational politics because they don't believe that an individual's performance or suitability for promotion can be fairly determined by a commercial entity. In a similar vein,

when managers lack an impartial way to distinguish between employees who are effective and those who are not, they often turn to favouritism.

**Environmental ambiguity and instability:**

People who work in hectic, unpredictable circumstances are more prone to take political action. They rely on organizational politics to generate a good impression because it is so hard to make judgements when faced with ambiguity. The unpredictability, volatility, and insecurity that come with mergers, acquisitions, and firm downsizing are the main causes of office politics.

**Expressive anxiety:**

Certain individuals, not having faith in their own skills and expertise, turn to political tricks or gimmicks in order to curry favour with superiors.

**Political Implications of Power**

While the informal roles of managers and organizations show a more pragmatic perspective of the companies, the theory of classical organization portrays business organizations as a logical framework where authority is granted legitimacy through chains of command. This practical viewpoint on groups emphasizes the significance of the political aspects of power. In modern organizations, the struggle for political dominance is a serious one. Like other aspects of the dynamics of a corporate organization, politics is a challenging process that differs not only between corporate organizations but also within subunits. A few facts concerning political power have been revealed by Walter Nord. Based on political events, he presents four (4) hypotheses on power in corporate environments. Business organizations' coalitions battle with one another for influence, energy, and resources. By recognizing the demands and consequences of their surroundings, the various groups that form coalitions will endeavour to safeguard their stakes and spheres of influence. ■ There is a dehumanizing effect from the unequal allocation of power. One crucial component of using power in the greater social structure is how it is used within different organizations.

A number of sectors that are especially relevant to the degree to which commercial companies display a political nature as opposed to a logical one have been highlighted by organizational politics. These domains include objectives, change, resources, the external environment, and technology. These days, a lot of commercial enterprises are more politicized. They have incredibly limited resources and highly complex technologies. Make unclear decisions, have goals that are both complex and unclear, and are undergoing significant changes. Corporate organizations of this type deal with greater politics, and the "power game" is becoming more and more significant. Politics inside an organization will become more intense, and more people will act irrationally out of fear of losing their position of influence or in support of those looking to expand their own sphere of influence.

**Negative Outcomes of Politics in Modern Organizations and its effects on Productivity**

**Differences:** Divergent opinions between two or more groups often arise from political debates at work, which can create opposing factions within the workplace. Allowing this disparity to continue will result in low workplace productivity, which will impede the company's growth. A proactive management must put an end to it before things spiral out of control.

**Discordance:** Politically motivated workers may find themselves diametrically opposed to one another at work, which can lead to conflict. Divergent political views may also prevent employees from cooperating, which may hinder their capacity to participate in constructive organizational behaviours. As a consequence, the company's productivity will suffer.

**Punitive measures:** The company's management has the authority to suspend or lower the pay of an employee who stirs up trouble at work due to political discussions or ambitions. This could lead to a situation where management accuses the worker of subpar work that reduces output, and the worker says his right to "free speech in a free world" has been violated. The principal objective of a business entity is to generate profits, and any deviation from this objective resulting from political beliefs must be suitably addressed to optimize productivity and efficiency.

### **Methods in which Political Strategies can be used to Attain Power in Contemporary Business Organizations**

- The ability to make strategic substitutions
- Confidence
- Controlling access to people and resources
- Building a winning coalition
- Developing expertise and elevating oneself in society
- Communication constraints regarding genuine intentions
- The application of research findings to bolster one's stance

### **Ways to Edge the Effects of Political Conduct in contemporary Business Organizations**

- Plenty of resources ought to be offered.
- It's time to create explicit rules.
- Performance ought to be evaluated instead of personalities.
- Low-politics workers ought to be employed.
- There should be more possibilities for dialogue.

- Open and honest communication of information is important.

## **CONCLUSION**

Whether a business company is "non-profit" or for profit, making effective use of positive forms of power and politics is essential since it affects how decisions are made and how well employees get along with one another. After carefully examining the realities of power and politics in modern business organizations, it is believed that professionalism and the effective use of politics in a business organization are extremely important for a leader in obtaining and holding power in order to accomplish key goals. The author also agrees with Aristotle when he says that politics and organizational power can be used to resolve conflicts amicably and prevent abuses.

Although they can sometimes be extremely unethical and harmful, power and political behaviour can be used constructively to achieve certain aims and objectives within the business organization and to establish a balance among a wide range of interests. A commercial organization needs to use politics and power sparingly in order to accomplish its aims and objectives if it is to be extremely productive. These aims and objectives include giving workers the freedom to decide for themselves, recognizing high performers, designating those individuals to oversee subordinates, and establishing an easily understood political system.

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