



Managing People

Unit Eight

Course Unit Structure

- ▶ Managing People Course Structure
 - ▶ Unit 1: Individual Behavior
 - ▶ Unit 2: Motivation
 - ▶ Unit 3: Business Communication
 - ▶ Unit 4: Managing Human Capital
 - ▶ Unit 5: Leadership
 - ▶ Unit 6: Managing Groups and Teams
 - ▶ Unit 7: Create a Winning Organizational Culture
 - ▶ **Unit 8: Power, Politics and Change**



Unit Learning Objectives



- ▶ describe how power bases such as legitimate power, reward power, expert power, information power, coercive power and referent power work and how they influence people in organizations
- ▶ explain common power tactics in organizations and power-shifting strategies to effectively manage workplace politics
- ▶ evaluate methods to manage organizational politics by using rational processes, strategic leader power, reducing system uncertainty, breaking up political fiefdoms, and reducing competition for scarce resources to ensure appropriate and ethical behavior
- ▶ summarize the models of change management in organizations such as Lewin's Three-Step model, Kotter's Eight Step Plan, Nadler's System Model, and Action Research, as well as planned organizational development and crisis management
- ▶ analyze how firms use agility address change in a complex, turbulent, and uncertain business environment
- ▶ develop processes to manage change, change mindsets, and instill a collaborative culture to solve business problems

Unit Vocabulary

- action research
- affiliation power
- arrogant leaders
- bureaucratic power
- coercive power
- consensus
- cooperation
- expert power
- explosive/abusive leaders
- group power
- inaccessible leaders
- information power
- Kotler's Change Model
- legitimate power
- Lewin's Three-Step Model
- Nadler's System Model
- referent power
- refreezing
- Reward power
- self-serving/unethical
- technical incompetence
- technology power
- unfreezing



Overview: Unit Eight Topics

- ▶ Power in organizations
- ▶ Ethical uses of power
- ▶ Management of power
- ▶ Change management models
- ▶ Leadership mindsets



8a Power Bases and Ethical Use

The Ethical Use of Power	
Basis of Power	Guidelines for Use
Referent power	<ul style="list-style-type: none">• Treat subordinates fairly• Defend subordinates' interests• Be sensitive to subordinates' needs, feelings• Select subordinates similar to oneself• Engage in role modeling
Expert power	<ul style="list-style-type: none">• Promote image of expertise• Maintain credibility• Act confident and decisive• Keep informed• Recognize employee concerns• Avoid threatening subordinates' self-esteem
Legitimate power	<ul style="list-style-type: none">• Be cordial and polite• Be confident• Be clear and follow up to verify understanding• Make sure request is appropriate• Explain reasons for request• Follow proper channels• Exercise power regularly• Enforce compliance• Be sensitive to subordinates' concerns



8a Power Bases and Ethical Use, continued



Reward power	<ul style="list-style-type: none">• Verify compliance• Make feasible, reasonable requests• Make only ethical, proper requests• Offer rewards desired by subordinates• Offer only credible rewards
Coercive power	<ul style="list-style-type: none">• Inform subordinates of rules and penalties• Warn before punishing• Administer punishment consistently and uniformly• Understand the situation before acting• Maintain credibility• Fit punishment to the infraction• Punish in private

8a Relationship Power

- ▶ Affiliation power
 - ▶ Through association
- ▶ Group power
 - ▶ Solidarity and weight of numbers
- ▶ Technology power
 - ▶ The ability to use or control technology access



8b Uses of Power

- ▶ Controlling the agenda
- ▶ Using outside experts
- ▶ Bureaucratic gamesmanship
- ▶ Coalitions and Alliances

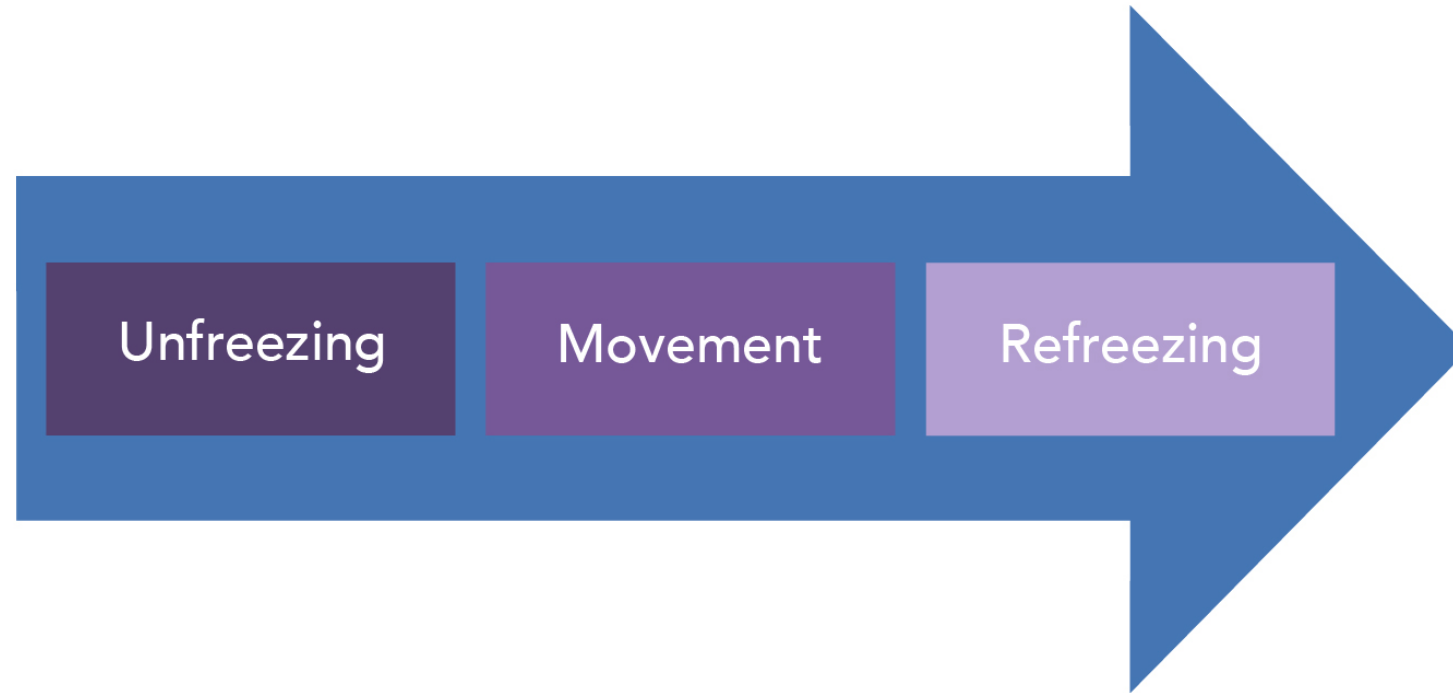


8c Managing Organizational Politics/Power

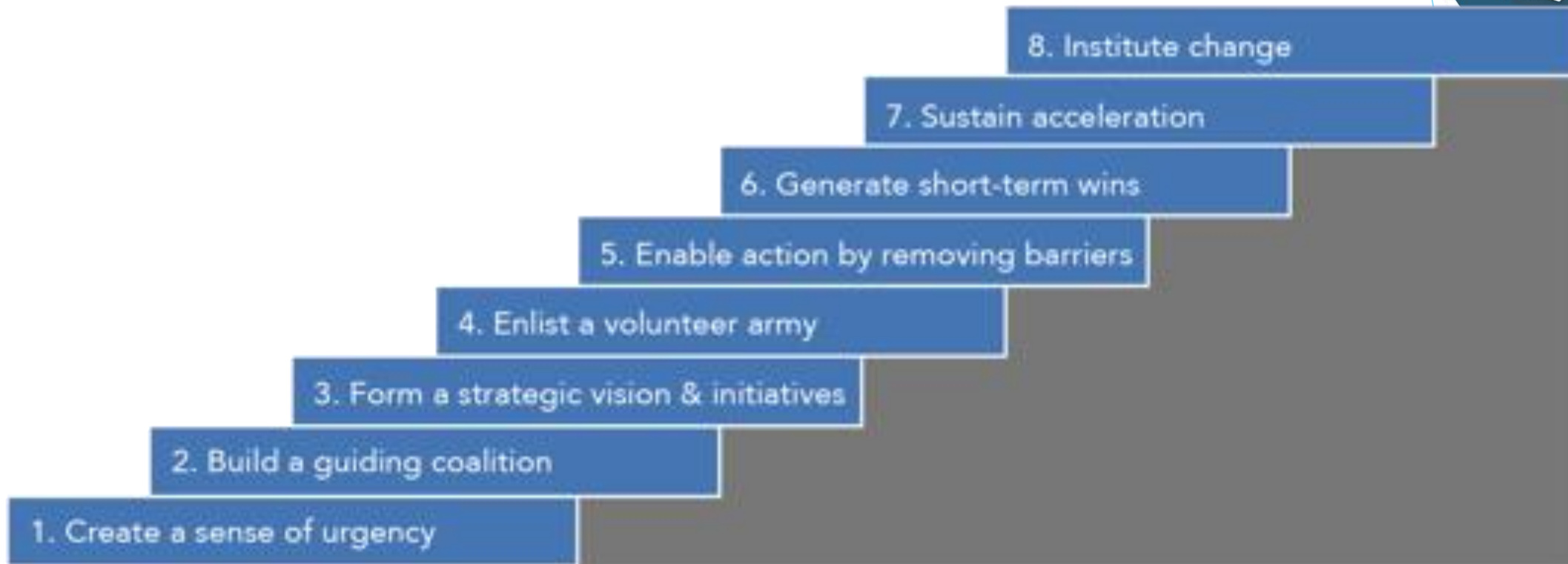
- ▶ Analytical process
 - ▶ Agreed upon method for determining answers to problems
- ▶ Consensus, cooperation and culture
 - ▶ Ability of connections to minimize politics
- ▶ Losing power
 - ▶ Technical incompetence
 - ▶ Self-serving/unethical
 - ▶ Micromanagement
 - ▶ Arrogance
 - ▶ Explosive
 - ▶ Inaccessible



8d Change Management-Lewin



8d Change Management-Kotter



8d Change Management-Nadler



- ▶ Nadler's System Model
 - ▶ Informal organizational elements: communication patterns, leadership, power
 - ▶ Formal organizational elements: formal organizational structures and work processes
 - ▶ Individuals: employees and managers, and their abilities, weaknesses, characteristics, etc.
 - ▶ Tasks: assignments given to employees and managers

8d Change Management-Action Research



8e Leadership Mindsets

- Monitor self-talk
- Examine your assumptions and beliefs
- Train yourself to see what's working
- Conflict as an opportunity
- Build trust
- Be humble



Conclusion

- ▶ Here's what you learned:
 - ▶ describe how power bases such as legitimate power, reward power, expert power, information power, coercive power and referent power work and how they influence people in organizations
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What's Next?

- ▶ To prepare you for the practice exam, consider one more review of the study guide and course materials.
- ▶ Good luck on the practice exam!

