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The path to power and how to use it

By Philip Delves Broughton

Alternative models: the British Museum's Neil MacGregor is among executives who have used power in different ways to manage their organisations

Power has bad connotations in management these days. It suggests headbangers and table-slammers, cigar-chomping men in smoke-filled rooms.

Despite booming profits at JPMorgan, Jamie Dimon recently had to persuade shareholders that being both chief executive and chairman didn't render him too powerful. Microsoft's latest management revamp is intended to enhance collaboration across the company and eliminate the powerful fiefdoms that were hobbling its progress.

Companies prefer the language of collaboration and teamwork or, if they must, the more demure "influence". Executives are encouraged to use correct forms of persuasion rather than unseemly displays of muscle.

But it is not just our attitude to power that is changing. It is the nature of power itself.

In a new book, *The End of Power: From boardrooms to battlefields and churches to states, why being in charge isn't what it used to be*, Moíses Naím, a senior associate at the Carnegie

Endowment for International Peace and a former editor-in-chief at Foreign Policy magazine, argues somewhat wistfully that power is more fleeting and fragile than ever.

The rate of turnover among chief executives is rising, which may explain why their pay keeps increasing so fast, as they grab what they can in the shorter time they have to grab it. In the 1990s, Mr Naím writes, the average chief executive could expect a 10-year run at the top, but that has come down to about five and a half years. Companies enter and leave the Fortune 500 rankings faster than ever, and competitors are springing up all over the world to challenge once omnipotent western corporations. Chase the old positions and symbols of power, says Mr Naím, and you may be chasing ghosts.

Yet visit any organisation and the chances are everyone from the doorman to the chairman of the board will have a good idea of who's powerful and who's not. We understand what power means and what it can achieve, even if the term itself is avoided.

Jeffrey Pfeffer's rules for exercising power

1 Give resources to potential backers.
2 Shape behaviour through rewards and punishments.
3 Advance on multiple fronts.
4 Make the first move.
5 Co-opt antagonists.
6 Remove rivals – nicely, if possible.
7 Don't draw unnecessary fire.
8 Use the personal touch.
9 Persist.
10 Make important relationships work – no matter what.
11 Make the vision compelling.

In the latest issue of MIT Sloan Management Review, Jean-Louis Barsoux and Cyril Bouquet of IMD business school coin a term: the "power-deficient executive". Their answer to power deficiency is not to stick out your elbows or assert yourself more in meetings. It is to adopt one of two strategies: to "play the game or change the game".

But first, you must identify your areas of weakness. Do you fit in or have a record that allows you to gather resources when you need them? Do you have valuable skills yourself or the influence to draw on others who have them? And are you well connected enough to make things happen?

None of this is easy, say the professors, because power deficiency can be a terrible trap. Once you are out of favour in a company, it is hard to get back in. If you are "out" and you succeed, you are perceived as lucky. If you are "in" and you succeed, you are good.

So, for example, if you want to improve your legitimacy and choose to play the game, it's not enough just to do your job better. You also need to employ well-judged self-promotion and ingratiation. "One's attitude and perceived compatibility are more powerful determinants of good relationships with bosses," they write.

Flattery will take you a long way. The recipient tends to take it far better than you might think.

Alternatively, you can choose to change the game by tailoring your job so it matches your strengths. The authors give the example of Neil MacGregor, the director of the British Museum. When he was appointed director in 2002, the museum was heavily in debt and unloved by the public. Many worried whether Mr MacGregor had the administrative skills to turn things round; his reputation was primarily that of a scholar rather than a manager.

In fact, he convinced the museum's trustees to let him shape the job to suit his strengths. This meant allowing him to become a "cultural diplomat", bringing exhibits from far-flung parts of the world to the museum and delegating administrative chores to others. Mr MacGregor became not just a successful director of the museum but also an unusually powerful one.

Another way to think about power is as a motivating force for managers. In "Power Is the Great Motivator", an influential article written by David McClelland and David Burnham and published in the Harvard Business Review in 1976, the authors laid out the findings of a survey of managers in a range of US corporations. They found that they fell into three motivational groups.

The first were "affiliative managers" who wanted to be liked more than they cared to be effective. The second were motivated by achievement and didn't worry what others thought of them. The third and most effective were "institutional managers" who were most interested in power. They focused on amassing power through influence rather than their own achievements. The most important check on their aggression and ego was emotional maturity, which allowed them to exert power without coercion or bullying.

A far darker vision of managerial power has been proposed by Jeffrey Pfeffer, a professor at Stanford University's Graduate School of Business and author of *Power: Why Some People Have It – and Others Don't* . He has taught a course on power to MBA students for many years. He tells them that three main barriers stand in the way of their acquisition of power. The first is leadership literature, which focuses on good traits such as authenticity and following your inner compass, while glossing over the bullying and abuse endemic to business. No business leader has ever addressed a graduating class and said: "I got to where I am by being a vicious, power-crazed corporate brute." The second is our "delicate self-esteem", which leads us to avoid the risk of failing to acquire the power we secretly covet. The third is the mistaken belief that the world is a just place and that if we work hard and play fair, we will be rewarded. Get real, says Prof Pfeffer.

What you need to do is follow his 11-step plan, starting with handing out resources to anyone who will help you build your power base. This includes co-opting your antagonists and removing your rivals before moving on to persisting, making your important relationships work, no matter what, and finally, creating a vision that is compelling enough for others to follow.

It is all far closer to classic Machiavellian behaviour than the prescription for relieving one's "power deficit". But it gets to the same point. Call it what you like, raw power, its acquisition and use, still count in business.

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