



## **Clean up dysfunctional power and politics: stop the erosion of value in your business**

---

### **Organisational power and politics are inevitable**

One way to understand organisations is to view them as political systems. The political metaphor assists in the understanding of how power operates in organisational relationships. If we accept that power relations exist in organisations, then politics and politicking are an essential part of organisational life.

Politics is a means of recognising and ultimately reconciling competing interests within the organisation. The successful practice of organisational politics is perceived to lead to a higher level of power. These competing interests include those of the individual, the organisation, shareholder return and the wider stakeholder interests the organisation is incorporated to serve. These many and varied interests usually result in conflicts and ethical dilemmas, most often resolved through power, be that positional or otherwise.

Organisational decision-making and problem-solving, while seemingly a rational process, is also a political one. Employees seek to satisfy not only organisational interests, but also their own wants and needs. Members of an organisation are at one and the same time co-operators in a common enterprise and rivals for the material and intangible rewards of successful competition with each other.

Dysfunctional power and political games can emerge. If these dynamics are not understood and attended to, these will lead to the erosion of value in your business.

### **Costs of bad politics**

Individuals are less focused on organizational goals. Political intrigues distract people from the business, from customers and from the stated strategic outcomes of the organisation. Productivity and performance will suffer.

The flow of information is restricted and decisions are not made as quickly. This adds cost over-runs for projects, inefficiencies in operations and business opportunities lost.

Decision-making be slow, the quality of decisions will be poor; mistakes will be made as a direct result of embargoed knowledge, withholding of expertise and 'off-agenda' items.

Excitement about innovation is lessened, leading to loss of market presence and position. The required capacity for an organisation to reinvent its products offerings will be disabled.

Employee stress is increased. This means everything from lack of productivity to physical and mental illness; strokes, heart attacks, depression, are all common to prolonged exposure to stress and in the corporate world.

Employee job involvement and satisfaction is decreased, and valuable people leave the organization. For example, when people feel they have been manipulated, their ability to trust is certain to be seriously undermined. The direct costs of replacing staff who leave, absenteeism and workers compensation pale by comparison to the brand, reputation and resultant commercial damage.



## Types of Political Behaviour (Mintzberg 1983)

### Authority games

- **Insurgency** - not doing as you are asked; sabotaging the workplace
- **Counterinsurgency** - management attempting to increase control over their subordinates

### Power base games

- **Sponsorship** - attaching oneself to a rising or established star.
- **Alliance** - played with peers and involves an agreement to support each other
- **Empire building** - an attempt to increase power through taking on more responsibility for organisational decisions

### Rivalry games

- **Rival camps** - groups or individuals with different points of view attempting to reduce one another's power (e.g. ignoring advice from a specialist in order to render them less powerful)

### Change games

- **Whistle-blowing** - reporting some wrongdoing to a higher authority in the hope of righting the wrong and bringing about change



While leaders can delegate accountability for strategy, technology, marketing and finance they can't avoid responsibility for creating health in the political system. It is not the task of HR to evolve the health in the system.

It is the role of leaders within the business to create the competitive advantage of a healthy power and political system. To create such an organisational system, leaders have the accountability to identify the political games they are playing with each other and others are playing with them and to call that behaviour and the impact it is having on organisational performance. This requires high levels of courage, honesty and commitment to face the unpredictable realities of human behaviour in organisations and its inherent conflicts.

The reality of why it's difficult to clean up dysfunctional politics is that many times the leadership team is a major player in the political game. The very nature of competing interests of stakeholders can lead to a lack of consensus. It takes time and investment to build trust and commitment and this can be in short supply.

## **Good politics creates value**

Realistically, it is not possible to have a politics-free organisation. The desire for power is part of human nature, and therefore business.

However, successful leaders know how to leverage politics by setting performance-oriented (versus resources-oriented) political goals and rewards. Successful leaders set fair rules for the political game, reward collaborative performance and penalize animosity and negative behaviour.

The knowledge economy requires leaders to become adept at 'cleaning up' dysfunction and creating functional social systems that effectively deal with political game playing and manoeuvring. The risks and costs to an organisations bottom line are enormous. People get hurt, brand gets damaged and reputation lost when organisational leaders don't attend the health of the power and political system.