

# Power in business essay



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Power in a business situation can be described as having “ the ability to influence people toward organisational objectives. ” (US Navy, n. d. ) There are many different forms of power that an individual may have within the workplace.

Some examples of the various forms of power that an individual may exert are legitimate, referent, coercive, and informational. Each power source identified is used differently in managerial settings and subordinates react differently to each power type. These different forms of power help management in getting the required company objectives achieved. As each source of power is different the level of impact that it will have within the politics of business organisations will also differ.

“ Legitimate power stems from the belief that a person has the right to influence others by virtue of holding a position of authority. ” (Ed. Allison McClintic Marion and Gale Cengage, 2006) An example this form of power could be the authority that a manager holds over a subordinate or that a teacher has over a student. Robbins & Coulter define referent power as “ power that arises because of a person’s desirable resources or personal traits”.

Robbins & Coulter, 2007, p. 505) This definition can be explained further with the reasoning that when people are admired or liked by others, referent power may result because others feel friendly toward them. They are more likely to follow their directions and demonstrate loyalty toward them. People can be drawn to others for a variety of reasons, including physical or social attractiveness, charisma, or prestige, having a right mix of these

characteristics may increase a person's referent power. An example of a politician that was effectively able to influence others through referent power was John F. Kennedy.

Coercive power is demonstrated in the workplace when the power holder exerts their influence by way of a punishment or threat when subordinates do not engage in the desired behavior. " A few examples of coercion include reprimands, criticisms, and negative performance appraisals. " (Ed. Allison McClintic Marion and Gale Cengage, 2006) Being well informed gives a person power. The more knowledge or information that a person possesses over another gives them an advantage or power over them.

Being able to control access to certain information that subordinate employees have gives managers information power. Business organisations all have particular goals that are set and which need to be achieved. Management can use power as a means of influencing the subordinates to make the goals a reality. The four types of power which have been discussed will have a different level of impact on subordinates in motivating them to work efficiently to achieve the goals. There are various levels of hierarchy within an organisation which are required for the successful running of a business, for example managers, supervisors etc. The legitimate power that an individual possesses from their employee title is something that will be associated with them regardless of any referent, coercive or informational power that they may also possess.

The effect that this source of power has on the politics of business organisations is that a subordinate will in most cases follow a superior's

orders as the inferred power that they hold over anyone below them is important