

## **KM 107: Power and micropolitics in project management**

(AUTHORS COPY after peer-review & before publishing)

**Johan Olaisen and Birgit Helene Jevnaker, BI Norwegian Business School, Oslo, Norway**

**Johan.olaisen@bi.no**

**birgit.h.jevnaker@bi.no**

### **Abstract**

The problem of the paper is:

What is the importance and conduct of power and micropolitics in project management?

The issue has resulted in five research questions:

- How do power and micropolitics appear in projects?
- How does the project manager use power and micropolitics to influence the result of his project?
- How are the findings related to the actor's intentions in the projects?
- How do the employees regard managers using power and micropolitics?
- What organizations foster and hinder power and micropolitics?

We reviewed the literature as the basics for an open survey study to twelve managers to answer the research questions. We followed up the knowledge from the survey study with twelve in-depth interviews with project managers in four Norwegian companies in the oil and gas business, where all activities are based upon project management.

The informal power and micropolitics played a massive role in the projects, and personal and relational knowledge appeared to achieve the expected project results.

The project manager uses personal networks, personal relations, mentor's network together with cognitive, affective, and emotional influence as power and politics if needed to achieve expected results. Power and micropolitics were regarded as necessary skills and tools for a successful project manager.

The findings relate to the manager's intentions. The informal power and micro-politics process are reused in every project in that informal power and micropolitics are part of project work. The accumulation and wise handling of power is an essential leadership tool for every manager.

Employees work for managers who have power over those who do not. The former can get them what they want: visibility, upwards mobility, and resources.

A democratic and consensus-oriented culture opens for power games and micropolitics rather than hedging them compared to more hierarchical organizations. Informal micropolitics and power mean a high potential to prolong and complicate decision processes and significantly reduce efficiency and effectiveness.

The theoretical implication is a general model for power and micropolitics, while the practical implication understands how power and micropolitics are practiced in projects.

**Keywords:** Power, Micropolitics, Project management, Power games, Power model, Influence

## **1. Introduction**

The issue of the paper is:

What is the importance and conduct of power and micropolitics in project management?

Scandinavia has a corporate culture for consensus and compromises fostering micropolitics and power. Power and politics are, however, considered a non-issue in Scandinavian project management. This peculiarity is that Scandinavian organizations' image is democratic and equal, involving all employees (Olaisen and Revang 2017a). Project management is the temporary leadership of teams and the management of working groups compared to more permanent organizational forms. To succeed in project management, you need both to deliver the results and be reappointed by your peers for new projects. The project manager role fosters micropolitics and power in the role intentions and experiences even if not included in any of the four investigated companies' role descriptions. The rules of the project process are learned on the road as streetwise project tools and attitudes and by that as critical success factors (Olaisen and Revang 2018).

There is a knowledge gap in project management between what we know and what we do not know about the function of micropolitics and power. Micropolitics and power represent what we formally do not know. Everybody, however, sees the importance of handling micropolitics and power, and we may then say our problem represents what we do not know that we know. The practical usefulness of micropolitics and power for project management is evident, and the theoretical need for knowledge about the concepts is thus also overdue. We have as a theoretical contribution proposed a general model for power and micropolitics in organizations.

The methodological approach has been to do a survey study to start interviewing twelve project managers in four Norwegian hydro, oil, and gas companies. All the companies practice project management throughout the whole organization. We got access to twelve project managers, each of them handling projects averaging one billion NOK (0.5-2 billion NOK).

The results showed that formal and informal micropolitics and power are used actively in all projects. A project manager must handle the balance of leadership and management and the skills of handling micropolitics and power. The rhetoric of convincing stakeholders and project members and the use of power and politics are as needed as the professional skills. We may rather say it is a requirement for a project leader that power and politics are included in his knowledge, experiences, and attitudes.

The combination of formal power and informal power and micropolitics are needed in all projects to meet the time limits and required results. According to their networks, project leaders recruit team and group members, experience and professional and social skills. The employees prefer managers using power and micropolitics since it contributes to their mobility upwards.

The paper is further organized in a selective literature review, methodology, findings, conclusion, practical implications, theoretical implications, limitations, and further research.

## **2 A selective literature review**

### **2.1 The game concept**

Crozier and Friedberg (1979) assume that formal structures will never sufficiently describe or predict individuals' behavior in an organization. The behavior runs in contradiction to traditional theoretical approaches. Assuming that an organization can only be successful by its individuals' combined activities, Crozier and Friedberg's thesis implies that an organization's success is finally not dependent on structures, processes, and procedures. As professional as it might be, this framework always has uncertainties, which individuals will use for their interests. Each actor's primary goal is to increase his control over uncertainty areas, i.e., to become less controllable or predictable. In other words, each actor seeks to accumulate power over others to push through his agenda, which can but must not be in line with the organization's goals (Kieser and Walgenbach 2007:57). Two fundamental thoughts are hedging the process:

The game's essential rule is that no actor seeks to destroy what he is an integral part of the game. Instead, he must accept a particular organizational framework like a project. The second important parameter is that all

actors seek to stay and preferably rise in the organization. The effect of such a structure we do not negate. This ambivalence seems to meet practical experience: a company or a team needs structure, but only partial renunciation of the given framework and the acceptance of uncertainties provide room for change, power, and efficiency (Fischer 2005:89).

Significantly, this is eminent in project teams, which require a high level of flexibility and whose matrix - organizations have fundamental conflicts of authority built within. So, when looking at power and micropolitics in projects, the thoughts mentioned above describe the team's underlying theory and the surrounding organization. The main question is how an actor can best explore and use uncertainties to extend his power. The extension of power will be reused in new projects and strengthen the use of micropolitics and power in projects. The more agility and flexibility, the more power and politics.

## 2.2 Power

*“Power define and govern all human relations including all organizations” (Foucault 2005: 103). “Power is the potential to allocate resources and to make and enforce decisions” (HBSP 2005: xi). “Power dressed as a cognitive authority deliver all the results you need” (Olaisen 1984:47). “The more bullshit you deal with as a manager the more you need to bend the processes your way” (Olaisen and Revang 2017a).*

We find Essential insights about how power constitutes itself at French and Raven (1968). The authors state that seven bases of power exist:

- Legitimate which is solely based on role, position, or title
- Coercive power to negatively sanction a behavior
- Reward power to grant another person what that person desires
- Expert power administers information, knowledge, or expertise
- Information powers based on the potential to utilize the information
- Referent power is often regarded as admiration or charisma of a role model
- Incentive power as bonuses, positions, resources

Often, several power bases constitute themselves in the same actor, either openly assigned or hidden (Martin 2003:154). In conjunction with the initial definition, this leads to a differentiation of power into formal and informal sections, further elaborated. However, no transparent allocation can be made since they are mixed. We may add coalition power, network power, and rhetoric communication (Olaisen and Revang 2017b).

According to Foucault (2005), the relationship power is the crucial power to influence today's knowledge society, and Foucault stresses the importance of the pipeline relationships on the road to the top. Nonaka (1985) concluded in his book “The knowledge creating company” that personal and relational knowledge handled through power and politics are the key for managers. Olaisen and Revang (2018) concluded that having a team leader who was also a member of the top management group will secure the transfer of explicit and tacit administrative knowledge needed for resources and decisions. The skills of politics and power are tacit but explicit in their consequences.

## 2.3 Micropolitics

As per definition, power is a potential that, to be realized, needs a form of expression. In organizations, power often expresses itself as micropolitics: the ability to change, direct, or influence others' behavior without openly ordering or threatening them. In other words, micropolitics describes a way of using formal and informal power to push through its agenda.

In each case, the intended outcome is the same: encouraging other people to do what we want them to do, preferably - but not necessarily- through the semblance of their own choice (Bosetzky 2010). Micropolitics might help, but if not, we do what we need to do to achieve decisions and results (Nonaka 1985, Foucault 2005, Olaisen and Revang 2018). Power and micropolitics in projects are often two sides of the same coin but might also be applied with a Janus face where we see the face and the “revolver.” “Tacit and explicit pressure are used all the time in any relations to get what we want” (Foucault 2005:129).

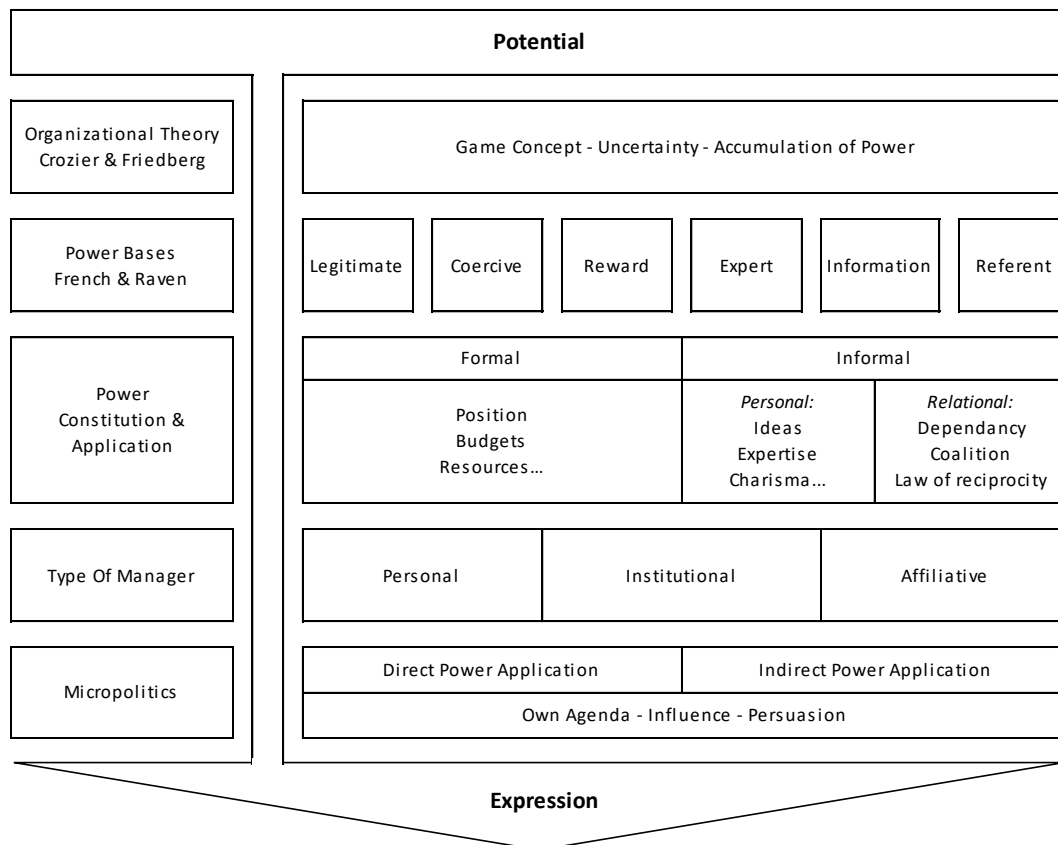
## 2.4 Influence and persuasion

Influence and persuasion are two elements of micropolitics: **Influence** is a mechanism through which people use power to change behavior or attitudes. Unlike power, influence can produce an effect without the apparent exertion of force, compulsion, or direct command. The strength of one's influence is generally a function of one or another form of power and others' level of dependencies. However, to influence others, one must be open to influence from them; the key is understanding what others want or value (HBSP 2005:43).

**Persuasion** is a process that enables a person or group to change or reinforce others' attitudes, opinions, or behaviors. It is essential for success in all relationships - personal and business alike. Persuasion has four elements: credibility, an understanding of the audience, rhetoric argumentation, and effective communication (HBSP 2005:73). Credibility is a cornerstone of persuasion. Influence and persuasion are linked to both cognitive, affective, and emotional reasons (Olaisen 1984). To know when to show loyalty and when to raise one's voice is a part of persuasion.

## 2.5 The proposal of a general theoretical model

By graphically comprising the literature review results, the below model illustrates the principle development from power as a potential in an organizational environment to its micropolitics expression. It must be considered that all borders, although displayed as solid lines, are generally flowing and permeable.



**Figure 1 A power and micropolitics model from potential to expression**

In the subsequent sections, the model is used to analyze the findings of the interviews. By graphically comprising the results of the literature review, it helps to systematically describe actors and their intentions – from top to bottom:

- The position of an actor in his organizational environment, his area of uncertainty, and his general level of power are described based on Crozier & Friedberg's theory.

- The actor's power bases, according to French & Raven (1968), are looked into to get a clearer picture of where his strengths come from
- The actor's power is further investigated (Foucault 2005). How does it constitute itself (formal/informal), and how does he apply it?
- What kind of power - the manager is the actor, what motivates him when applying power (Nonaka 1985)?
- Finally, the kind of micropolitics is elaborated. Does the actor apply power open and directly or indirectly and hidden, what is his agenda, how does he influence and persuade (Olaisen 1984).

### **3. Methodology**

#### **3.1 A form of clarified subjectivity**

The paper is an action research-based paper. To a certain degree, results are subjective; during the interviews, conflicts and side discussions came up, which reflect the findings and conclusions. The study is an explorative study using sensitizing concepts giving direction along which to look and understand.

#### **3.2 Survey research**

The results of the literature review form the background for the questionnaire. The sequence of 9 questions is set up in the following way:

Question 1 seeks to clarify formal/informal power and micropolitics' definitions to proceed from a joint base.

Questions 2 and 3 seek to evaluate the perceived importance of formal power vs. informal power/micropolitics.

Questions 4 and 6 try to determine the interviewee's level of knowledge and ability to handle the subjects. We designed the questions to uncover potential gaps between the rated importance from questions 2 and 3 and our skills.

Questions 5 and 7 seek to evaluate whether the interviewees are happy with their answers to question 4 and 6 or whether they would like to learn more.

Questions 8 and 9 are phrased as open questions and ask for their own experience.

#### **3.3 Methodology**

The questionnaire was sent to 12 project managers in four Norwegian oil and gas companies in November 2017 (N=12). All forms were filled in and returned on time (100% response rate). The analyzed answers to the survey questions were the background for the in-depth interviews.

We further made twelve in-depth interviews with twelve project managers (N=12). In all cases, lively discussions were held, and the interviewees acknowledged the subject's general importance. Each 90 minutes interview expanded the coming interview owing to a better grasp of the concepts and made each interview special and challenging to compare. The approach is described as a grounded theory by Glaser and Strauss (1967).

### **4 Findings**

#### **4.1 Appearance of power and micropolitics in projects**

As one result, all twelve interviewees agree with the definitions of power, informal power, and micropolitics (Question 1). Nothing is added or changed. Hence, we conclude that a common understanding exists and forms the base when answering the questionnaire's subsequent sections.

In all cases, formal power is rated as necessary for controlling the project (Question 2). In 8 out of 12 cases, informal power and the use of micropolitics are rated as very important, and in 4 cases, they are rated as

necessary (Question 3). In general, informal power and micropolitics are deemed more important or at least as necessary as formal power. Our finding is generally in line with the theory; Kotter (2012:181) describes an evaluation of organizations empowering employees, resulting in extended use of the accumulated power. Wong (2007:226) comes to the same conclusion. Also, it leads to the question of what precisely the formal power among project managers represents.

The experience of using informal power and micropolitics ranges from 4 x good and 8 x excellent (Question 4). The 100% confidence in applying informal power and micropolitics is higher than the knowledge level. The knowledge level ranges from poor (3 cases) over good (3 cases) to 6 cases excellent (Question 6). Considering that "People generally distrust and fear power and those who seek it" (HBSP 2005:14), the results are remarkable as they could be expected to be lower. On the other hand, the interviewees' group consists only of project managers, each with many years of experience. These managers must have had closer contact with the subject than a randomly chosen group of managers. They all seek more competence (Questions 5 and 7 wholly answered with No) and support the conclusion that mastering is of high importance for the perception and project result. The results document both that the knowledge about power and micropolitics is good and that the project managers are ready to use micropolitics and power whenever needed.

We use preciseness together with expert power to overcomplicate things. As all the managers agreed, "It is better to be roughly precise than precisely wrong." If these experts are contractors, the personal agenda behind it is often to justify their positions and extend working contracts. The project manager must restrictively adopt the practical framework to move his project forward and not end up in theoretical expert exercises that are inefficient. Doing this, he must rely on his knowledge, experience, and skills, constantly making his project's target a priority. To do this successfully, he needs to have support from key stakeholders. In all the interviews, the support of key stakeholders is essential for running the project and getting enough resources to handle the project's milestones.

Power must be investigated how far a culture of "democracy and consensus," is open for power processes and micropolitics in general. The research monograph of Pahlke and Alexander (2009) characterize Norwegian companies by:

- Flat hierarchies with consensus and harmony
- Low expression of formal power or strong decision making
- Avoidance of open external conflicts, but allowance of internal conflicts
- Decision processes involve many people, and decisions can permanently be changed.

The findings are entirely in line with the results of our interviews. Accepting that organizations need the power to exist, it can generally be anticipated that its informal counterpart's lack of formal power will be compensated. The more it is unclear who will finally make the call within a considerable team, the more room opens for micropolitics. Consensus-oriented discussions "at the coffee corner" replace open conflict management. The longer the process takes or the more often it changes, the more unclear why decisions are made. These appearances might honorably be called signs of a democratic process. However, a company is, per se, not set up as a democracy. Leaders are neither elected nor is the opinion of the majority finally dominating. Instead, when benchmarked on an international stage, the processes mentioned above are time-consuming (=costly) and create uncertainty for partners and suppliers. Both aspects have the potential to damage efficiency and effectiveness seriously.

The issue was described more sharpened by as "no badmouthing on my project! All must propose a way forward for success". Alternatively: "we do behave externally in our project, but we are fighting hard internally" and: "we have to hire communication people for managing the stakeholder politics." "Handling the politics decide upon what resources we get" and "We have to use our authority for what it is worth." All the interviewed supported the use of formal and informal politics and power as essential to handling projects.

Most interestingly, even a new power base was proposed by the interviewees: endurance. It seems to lie within persons in the same organization for such a long time that everybody anticipates they "must somehow be important." As a result, they are being followed without any visible reason or conspicuous achievement. They are, over time, accepted as cognitive authorities owing to their long experience and the stories of what they have accomplished. In a way, their personal story gives endurance.

## 4.2 Active handling of power and micropolitics

Essential findings about the usage of informal power and micropolitics are

- The ability to phrase things and the rhetoric to convince
- The knowledge of whom to ask and whom to use
- Acting by example externally and by power internally
- One-on-one conversations within the exemplary network
- Using pipeline networks given on the road up as manager
- Identifying and using upward mobility among employees
- Using personal relations and stakeholder coalitions
- Using endurance as corporate stories of historical success
- Using political compromises to get a best possible result

In general, formal power exertion must be backed up by some informal power to work. What is needed is multiple skills and tools found in coalitions and networks. The attitudes and strengths to use the experiences, skills, and tools are required for success. A title, education, or position does not help in a project where the outcome for the members and the project are the two most important factors. A project manager is judged by that outcome and must do what is necessary to achieve the outcome if accepted in the corporate culture. All interviewees thought consensus does not finally drive decisions but is often just created to push through an agreed-upon decision. Decisions are often taken on the basis that "somebody has talked together on the back room where everything is decided." When the project leaders met the stakeholders, there might be hefty discussions, but the decisions remained as anticipated.

The institutional project manager, who controls his stakeholders and makes decisions which he and not necessarily his team can finally justify, is the most successful actor. The institutional manager knows the game and how to play his cards and knows that the team will highly appreciate his results. He must keep his career in mind and cannot act entirely independently, but informal power and micropolitics are significant assets used all the time. This institutional manager is the team's hero, and members are lining up both to be on his team and support him. The team is followers working their way up the pipeline.

## 4.3 How are the findings related to the actor's intentions

The actors' intentions raise the following four questions from our model, which are answered elaborately:

- How does power constitute itself (formal/informal), and how does the actor apply it?

In its entirety, power constitutes itself as a sum of formal and informal parts. An actor primarily applies it as a mixture: Pure application of formal power is not sustainable in consensus-driven teams, and informal power alone lacks authority. In principle, a project manager is by far more on the "informal side." A high level of situational awareness must carefully balance the elements of power to push through a case.

- What kind of power - the manager is the actor, what motivates him when applying power?

The affiliative manager who wants to be liked rather than apply power to succeed is often found. It can be assumed that this is the case also for project managers. The avoidance of conflicts would be in line with Pahlke and Alexander (2009). The project manager applies power open and directly and indirectly and hidden; what is his agenda, how does he influence and persuade?

Within these corporations, power is often applied indirectly and hidden. For a new person in the organization, it can take a considerable amount of time to understand how and why decisions are made, crucial parameters, and authority. Influence and persuasion are often carried out "low profile" and long discussions in long meetings, including virtually everybody. Often, the manager's agenda seems to be consensus and team harmony, giving him informal power to proceed even though he does not fully comply with his team's opinions. It is fascinating how far these rather time-consuming

processes move the organizations in a more competitive position than the market or whether the opposite is the case.

- How does an actor express micropolitics?

Actors want to rise in the organization or at least secure their position. Actors try to increase their importance by exerting expert or information power, which drives discussions and decisions in a specific direction. In Norwegian organizations where everybody is heard at length, an expert or information holder has a strong position that can be used for his agenda (i.e., delaying decisions, influencing the allocation of resources, and making himself essential). An institutional manager might use cognitive authority to speed up a process or delay a process together with getting the manager's decisions. The process might be time-consuming and challenging to understand since there are hidden agendas all the time. The institutional project manager muddle through formal and informal power and micropolitics.

#### **4.4. How are the findings related to answer the remaining research questions?**

- How do power and micropolitics appear in projects?

The informal power and micropolitics played a massive role in the projects, and personal and relational knowledge appeared to achieve the expected project results. Power and micropolitics appear through main coalitions of stakeholders and project managers talking together in the backroom or forming alliances.

- How does the Project Manager use power and micropolitics to influence the result of his project?

The project manager uses personal networks, personal relations, mentor's network together with cognitive, affective, and emotional influence as power and politics if needed to achieve expected results. All the project managers use micropolitics and power as a critical success factor and, as such, also as a tool for successful project management.

- How do the employees regard managers' use of power and micropolitics?

Employees would work for managers who have power over those who do not. The former can get them what they want: visibility, upwards mobility, and resources. In contrast, subordinates of bosses who have no power are usually dissatisfied with their situation. The pipeline upwards is open for those supporting the right power and micropolitics.

- What organizations foster and hinder power and micropolitics?

A democratic and consensus-oriented culture opens for power games and micropolitics rather than hedging them. Compared to more hierarchical organizations, informal micropolitics and power mean a high potential to prolong and complicate decision processes and significantly reduce efficiency and effectiveness.



## 5. Conclusion

The findings relate well to the manager's intentions. The power and micro-politics process is reused in every project in that formal and informal power, and micropolitics is a significant part of project work. Actors with a leadership role and cognitive authority power are the primary beneficiaries. The accumulation and wise handling of power and politics is an essential leadership exercise for every manager. Political influence, persuasion, and compromises are also used in all projects. Handling large projects requires a balance between leadership and management and understanding power and micropolitics as craft tools. Power and micropolitics were accepted as critical success factors of all the project managers.

Although it could be assumed that a flat hierarchy and consensus-oriented decision processes prevent power games, this paper concludes that the opposite is the case. Strong informal power bases exist within all the four investigated companies, potentially affecting the efficiency and effectiveness of a project. The main reasons are unclarity and a lack of discipline and urgency in decision-making. In international competition, this can negatively affect benchmarks as the four companies need more protracted and more costs to come to the same conclusions as others.

## 6. Practical implications

Which recommendations can be given to handling the subjects in daily project management work? The project manager should make the following clear for his project:

- How does the game look? Who are the actors, where are areas of uncertainty?
- Which bases of power does each actor have, how do they constitute?
- What are the relationships (coalitions, dependencies) between the actors?
- Which types of managers are involved, what drives them?
- Which hidden agendas can be assumed, and how will they be pushed through the project?

In parallel, it is essential, to be honest about one's situation and define the following success factors:

- What is our personal goal? Is it in line with our project's goal?
- Independent of our work order, what appears to be the minimum / maximum achievable outcome?
- What are our power bases, dependencies, and coalitions?
- Who do we need to influence or persuade, and what is the best way to succeed?
- How do we create a sense of urgency and healthy pressure on the stakeholders?

## 7. Limitations

The study is done in a Norwegian branch context for oil and gas producing companies, and there is certainly both a cultural and branch bias. Temporary project organization is a key for how these corporations organize their activities which might imply a much higher degree of micropolitics and power games than in more permanently organized organizations. Norwegian organizations are flat and democratic and might invite to micropolitics and power than more hierarchical organizations. The respect for solution-based professionals versus more position-based professionals might also invite more micropolitics and power games.

## 8. Further research

We need to investigate if the Scandinavian model for project management fosters micropolitics and power while the hierarchical model hinders micropolitics and power. What are the consequences of different models concerning micropolitics and power? Likewise, we should look into the corporate cultures for project management.

The proposed model needs to be tested and adjusted or rejected to form a theoretical basis for the use of micropolitics and power in project management.

## References

- Bosetzky, H., (1988). "Mikropolitik, Machiavellismus und Machtkumulation." In *Mikropolitik. Rationalität, Macht und Spiele in Organisationen*, W. Küpper (ed.), 27-38. Opladen: Westdeutscher Verlag.
- Crozier, M., and Friedberg, E. (1979). *Macht und Organisation*. Athenaeum, Koenigstein.
- Fischer, J. (2005). *Macht in Organisationen*. Lit Verlag, Muenster.
- Foucault, M. (2005). *Power*. Verso Press, London.
- French, J.R. P., and Raven, B. (1968). "The Bases of Social Power." In: *Group Dynamics*, Dorwin Cartwright and Alvin Zander (eds.), pp. 259-269. Harper & Row, New York.
- Glaser, B.G. and Strauss, A. . (1967) *The Discovery of Grounded Theory*. Adding, San Francisco.
- Harvard Business School Press. (2005). *Harvard Business Essentials: Power, Influence, and Persuasion*. Harvard Business School, Boston.
- Kieser, A. and Walgenbach, P. (2007). *Organisation*. Schaeffer-Poeschel, Stuttgart,
- Kotter, J. P., (2012). *Leading Change*. Harvard Business School Press, Boston
- Lewis, R. D., (2005). *When Cultures Collide. Leading Across Cultures*. Nicholas Brealey, Boston.
- Martin, A., (2003). *Verhalten in Organisationen*. Kohlhammer, Stuttgart.
- Olaisen, J.,(1984), *Towards a Theory of Information Seeking Behaviour*. Ph. D. School of I., UC Berkeley.
- Olaisen, J. and Revang, O., (2017a). "Working Smarter and Greener", *International Journal of Information Management*, Vol 37, No 1, pp 1441-1448.
- Olaisen, J. and Revang, O., (2017b). "The Dynamics of Intellectual Property Rights", *International Journal of Information Management*, Vol 37, No 6, pp 563-589.
- Olaisen, J. and Revang, O., (2018). "Exploring the Performance of Tacit Knowledge ", *International Journal of Information Management*, Vol 38, No 12, pp 295-304.
- Pahlke, J. K. and Thomas, A., (2009). *Beruflich in Norwegen*. Vandenhoeck & Ruprech, Goettingen..
- Wong, Z. (2007). *Human Factors in Project Management*. John Wiley, New York.

