

## TOWARD A BETTER UNDERSTANDING OF ROMANIAN MANAGERS' PRACTICES: A POWER ORIENTED RESEARCH

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*Configurarea fenomenului de putere din organizație formează un cadru de cercetare deosebit de complex, care implică studierea practicilor manageriale, precum și diseminarea rezultatelor analizei cu alți specialiști în domeniu.*

*Lucrarea abordează aceste provocări prin realizarea unui studiu, în literatura de specialitate, asupra celor mai importante contribuții la definirea fenomenului de putere. De asemenea, sunt prezentate rezultatele cercetării empirice întreprinse de autor asupra practicilor managerilor din România.*

*Scopul cercetării empirice a constat în evaluarea surselor de putere folosite de manageri în cadrul procesului de influențare a subordonaților, considerând două niveluri de analiză: atitudine și comportament efectiv.*

*La finalul lucrării sunt prezentate contribuțiile autorului, luând în considerare sistemul de valori culturale ale angajatului român.*

*The complex configuration of power and authority within the organizational context offers a highly interesting framework to study the managerial practices and share the results with other professionals.*

*This paper addresses these challenges by reviewing the relevant concepts of power from the scientific literature and disseminating the results of the empirical research undertaken by the author on the Romanian managers' practices.*

*The aim of the empirical research was to assess the bases of power used by managers in leveraging their subordinates, considering two levels of analysis: attitude and actual behaviour.*

*Finally, concerning the research results, the author shares the findings aiming at making useful recommendations for managers' practices, taking into account the Romanian employees' cultural values as well.*

**Key words:** bases of power, management practices, organizational culture

### 1. Introduction

Today, Romania has been witnessing an era of unprecedented economic, technological, and cultural changes. These new requirements, created by becoming a full EU (European Union) Member State, are undeniably the most important challenges that will have an enormous impact on Romanian managers in the near future.

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The new context has stressed the need of management professionals for an effective utilization of resources from the European Union. Additionally, Romanian managers have to be skilled in acquiring and exercising social power to marshal the human, informational, and material resources to get things done.

Improving the effectiveness in leveraging the subordinates can be done by reflecting on the bases of power managers have and the types of power that they may use. As consequence, the paper addresses the growing need of studying the Romanian managers' exercise of power, considering national culture values as the major explanatory variable.

## **2. Theoretical background**

The concept of power has been paid attention to a lot of researchers and scholars. According to the scientific literature, the meaning of power has been defined as the capacity to produce effect on others or the potential to influence others [1]. Nevertheless, the reality shows that managers who can reward or punish subordinates may have a greater capacity to influence subordinates comparing with those managers who cannot use rewards and punishments. Similarly, subordinate or situational characteristics may diminish a manager's potential to influence subordinates, as when the latter belong to a strong, active union. Because of this, merely having the capacity to exert influence can often bring about intended effects, even though the manager may not take any action to influence his subordinates. Thus, further developments in the field have distinguished the need to better define the concept of power because of its complexity and pervasive characteristic.

As scientific literature reveals, distinguished experts in social science have contended that power can be defined within two characteristics: static and dynamic [2]. *The first characteristic* – known as power bases or power - is pertained to capacity to influence or to induce change on someone else, including changing in attitudes, goals, needs, and values. *The second characteristic* – known as influence tactics or influence - is referring to one person's actual behavior designed to change another person's attitudes, values, or behaviors [3].

Valuable researches in this matter have distinguished nine generic influence tactics such as rational persuasion, inspirational appeal, consultation, ingratiation, personal appeals, exchange, coalition, pressure, and legitimization [4]. Afterwards, other authors have structured the first five influence tactics in *soft tactics* because they are friendly and not as coercive as the last four tactics. Exchange, coalition, pressure, and legitimization were called *hard tactics* because they involve more overt pressure [5].

Researches on the power sources have their roots in the taxonomy of social power brought by French and Raven [6]. They proposed that power arises from five different bases: reward power, coercive power, legitimate power, expert

power, and referent power. *Reward power* involves the managers' potential to influence their subordinates due to their control over desired resources. This can include obtaining compliance by promising or granting bonuses, promotions, and rewards. *Coercive power*, the opposite side of reward power, is the managers' potential to influence subordinates through the administration of negative sanctions or the removal of positive events. In the other words, it is the ability to control subordinates through the fear of punishment or the loss of valued outcomes. *Legitimate power* is anchored to manager's organizational role or official authority. Therefore, legitimate power arises because the manager has been assigned a particular role in an organization, having this authority only as long as he or she occupies that position and operates within the proper bounds of that role. As these power bases are rested on the manager's position in an organization, they have been lumped together into one category named *position powers* or *organizational power* [7].

*Expert power* is the managers' potential to influence subordinates through their relative expertise in particular areas. Expert power is a function of the amount of knowledge one possesses relative to the rest of the members of the group. Consequently, it is possible for the subordinates to have considerably more expert power than managers in certain situations. Latest findings have suggested that expert power is not confined to higher organizational levels. Some of the most specialized knowledge in an organization can be possessed by the lower-level employees [8].

*Referent power*, called charisma, refers to the managers' potential to influence subordinates due to the strength of the relationship between the manager and the subordinates. One way to counteract the problems stemming from a lack of expertise is to build strong interpersonal ties with subordinates. As researchers have noted, referent power comes into play when manager's personality becomes the reason for compliance [9]. Because the access to expert power and referent power does not depend solely on the organization, these power bases have been lumped together into one category labeled *personal powers*. Furthermore, personal powers are especially valuable because they do not depend directly or only on the actions of others, staying with the individual regardless of the position or the organization.

Another interesting insight has been brought by the well-known scientist McClelland who has explained the acquisition and exercise of power. He concluded that one of the basic human needs is the need for power and it is positively related to various leadership effectiveness criteria [10].

Further contributions have pointed out that although some need for power is necessary for leadership potential, successful managers also have the ability to inhibit their manifestation of this need. Managers who are relatively uninhibited in their need for power will act like a dictator, using power impulsively,

manipulating or controlling others. Managers with a high need for power but low activity inhibition may be successful in the short term, but the organization and their subordinates may pay high costs for this success [11].

Interestingly, recent researches have paid attention to the ethical face of power in the attempt to explain why power has a negative connotation for many people. Thus, researchers have drawn a distinction between socialized power and personalized power. *Socialized power* is the power directed at helping others to really have an impact on the community. It often involves an empowering, rather than an autocratic style of management. At the opposite side there is the dark face of power named *personalized power*. This type of power is directed only at helping oneself making the personal needs a central point of interest [12].

Other scholars have proposed a systemic approach of power: inputs, transformation process, and outputs. During the transformation process, managers use specific tools – power bases –, and techniques – interpersonal influence tactics – to influence their subordinates [13].

Finally, drawing knowledge from the scientific literature, the author has chosen to analyze practices of exercising power in the light of Romanian employees' cultural values. Although by no means exhaustive, this research assesses the five bases of power used by Romanian managers in leveraging their subordinates, considering two levels: attitude and actual behaviour.

### 3. Research methodology

Becoming an effective manager requires to be able to exercise power toward modifying subordinates' attitudes and behaviours in the desired direction. Because power, influence, and power bases play such important roles in the managing process, this paper addresses three key objectives:

- O1. Assessing the managers' attitude related to power bases
- O2. Assessing the managers' behavior concerning the use of specific power bases
- O3. Studying the correlation between social variables of managers and the use of power bases

Fulfilling the third research objective has required development of the following statistical hypotheses:

- H<sub>0</sub>: The respondents' age does not influence significantly managers' power bases.
- H<sub>1</sub>: The respondents' age influences significantly managers' power bases.
- H<sub>0</sub>: The respondents' gender does not influence significantly managers' power bases.
- H<sub>1</sub>: The respondents' gender influences significantly managers' power bases.

The research process has involved structuring the variables in two categories: independent and dependent variables. The independent variables encompassed social characteristics of respondents- age, gender, educational background etc. -, and were measured by nominal scales. The dependent variables

of the research have required designing multiple-item scales due to the abstract nature of the characteristic that had to be measured.

The research was questionnaire-based. The questionnaire had an adequate pattern, starting with questions to evaluate the managers' attitude and finishing with questions for respondents' characteristics. Dichotomy and open questions were used as well. Control questions have been used as respondent filter, too. The questionnaire was distributed to 155 managers, and only 68 respondents have filled the questionnaire.

The questionnaire has included demographic information such as gender, age, work experience, educational background, and situational information such as type of leadership position, and type of department and its size.

Gender structure was rather balanced (63.6% women and 36.4% men). Respondents' age was mostly up to 35 years (81.8%); 15.91% were of 35-45; and only 2.29% were older than 45 years.

The work experience in the same position was spread mostly between 1 to 5 years (40.91%); 38.64% of respondents had less than one year work experience and 20.45% had more than 5 years experience in same position.

The respondents had different backgrounds such as: 69.09% technical, 21.82% economical, and 9.09% have humanistic background.

The structure of the sample in terms of management levels was as follows: 28.9% of respondents from strategic level, 48.9% from functional level, and 22.2% came from operational level.

The respondents come from different departments such as: 38.64% form Commercial department, 15.9% from IT department, 13.64% from Production department, 13.64% from Human Resources department, 11.36% from Research & Development department and 6.82% from Finance department.

From department size point of view, 61.36% of respondents have worked in small departments with less than 10 co-workers, 25.00% in medium-size departments and 13.64% have worked in large departments with more than 30 co-workers. Statistical procedures were applied for data analysis, aiming to match the research objectives. The central tendency was calculated taking into account the way in which the variables were measured (tables 1 and 2). The correlation coefficient - Goodness of Fit -  $\chi^2$  - was calculated for testing statistical hypotheses.

*Table 1*

**The managers' attitude toward power bases**

Nr.	Power bases	Attitude
		Arithmetic mean
1	Expert power	4,57
2	Referent power	3,90
3	Legitimate power	3,77
4	Reward power	2,73
5	Coercive power	1,69

Table 2

**The managers' actual behaviour related to power bases**

Nr.	Power bases	Actual behaviour
		Arithmetic mean
1	Expert power	4.29
2	Reward power	4.09
3	Referent power	3.54
4	Coercive power	3.11
5	Legitimate power	2.87

#### 4. Key findings

The results of data analysis reveal a gap between the managers' attitude and their actual behaviour. According to specialists in social science, an attitude is a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a given object [14]. Moreover, attitude theory suggests that the ultimate behaviour of a person is a function of three attitudinal components: affective component, cognitive component, and behavioural component. It is worth to be noted here that behavioural component refers to how one intends or expects to act toward someone or something [15].

Considering the research results (table 1), Romanian managers are more likely to exercise their influence through expert power (4.57) - stemmed from their knowledge, reputation, and status-, followed by referent power (3.90) and legitimate power (3, 77). As researches have found there are three power bases that are viewed positively: legitimate, expert, and referent. In summary, expert and referent power appear to get the best combination of results and favourable reactions from lower-level employees [16]. At the first glance, Romanian managers seem to be well prepared practitioners with an adequate education in management field. But when it comes to put in practice what they have learned the situation has been considerably changed. Assessing the current practices of Romanian managers (table 2) reveals that they act using expert power (4,29) followed by reward power (4,09).

These results yield important clues about the management practices within our society. Obviously, the respondents are confronting with a complex phenomenon named cognitive dissonance. As specialists stated, cognitive dissonance represents the psychological discomfort a person experience when his attitudes or beliefs are incompatible with his ultimate behaviour [17]. For example, our managers tend to use expert power, referent power and legitimate power in managing their subordinates, but they are contradicted by reality that requires using reward power. In our context, reward power is consisted of positive evaluation of subordinates' performance, and also wages increases, promotion and extra bonuses.

On the other hand, the extent to which managers use their legitimate power is significantly diminished than the intended level (2,87 versus 3,77). At the opposite side, there is coercive power which is use more extensively than the declarative intentions (1, 69 versus 3, 11).

Validation of the first research hypothesis ( $\chi^2_c = 0.736$ ) points to the respondents' age does not influence significantly managers' power bases. The finding could be explained by the relatively homogeneity of the sample, being mostly represented by young people up to 35 years (81.8%). Regardless of this, previous empirical researches undertaken by the authors have ascertained the managers working behaviour is significantly influenced by their age, with impact on working group cohesion and the quality of labour relationships [18, 19].

The second research hypothesis ( $\chi^2_c = 0.295$ ) has been validated meaning that respondents' gender does not influence significantly managers' power bases. This finding confirms the femininity dimension of our Romanian culture. The empirical study undertaken by Romanian researchers have found that Romanian society could be described by four characteristics: collectivism, femininity, high power distance, and strong uncertainty avoidance [20]. The study has used the Value Survey Module 1994 developed by the Institute for Research of Intercultural Cooperation based on four cultural dimensions established by Geert Hofstede that help to explain the people behaviour from various cultures [21].

As interpersonal influence and exercise of power are culture bound, this research emphasizes that our society is not fragmented and differentiated based on people gender. In our culture with a high femininity index, men and women have similar roles, and employees tend to place great importance on cooperation, a friendly atmosphere, and employment security.

Although there is a widely held belief that organizational culture tends to moderate or erase the impact of national culture, the reality is quite different showing that just the opposite may be true. Hofstede's research has found that the national culture values of employees have a significant impact on their organizational performance, and that the cultural values employees bring to the workplace with them are not easily changed by the organization.

In the recent European arena, Romanian managers have to be skilled in dealing with cross-cultural challenges and professionally managing the inherent conflicts between national and organizational cultures. Moreover, they have to carefully understand the varying nature of the work cultural values in their worldwide network and both to moderate and adapt their leading practices in a way that accommodates business requests.

## 5. Conclusions

An important aspect of this study is the potential for further developments in multinational organizations and cross-cultural researches. As consequence, outside business people or foreign managers may focus on cultural highlights and work values differences that provide the necessary understanding and perspective for effective management across cultures.

Unfortunately, this study has several limitations. First, the research has measured only the managers' perception concerning the exercise of power. Another aspect is referring to the limited coverage of the survey (as sample selection, industry, and number of respondents).

Further developments of this research will take into account the differences between actual and perceived use of exercising power. In addition, the survey will be extended within other industries in order to perform a comparative analysis of the results.

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