



---

**POWER & POLITICS (draft)**  
**MGMT-GB.3366.00 Summer 2013 SAT Langone**

**Professor R. Kabaliswaran**

*Office:* KMC 7-56

*Class:* KMC 2-65

*E-mail:* [rkabalis@stern.nyu.edu](mailto:rkabalis@stern.nyu.edu) (best way to reach me)

*Class Hours:* Sat 9-4. Dates: **7/6, 13, 20, 27; 8/3, 10.**

*Office Hours:* Usually an hour before class and by appointment

*Due Dates:* One case write up due **session 10**; Case Briefs due **each session, except 1, 10 &12** ; Take home finals E-due **session 12**.

**TA:** TBA

Welcome to the elective course in Power & Politics in Organizations!

### ***Course Theme***

Politics is not a dirty word! We just got to learn how to play good politics and keep out bad politics. By the same logic, power by itself does not necessarily corrupt though absolute power may corrupt absolutely. In other words, this course is about how to conquer the world, or at least survive the corporate jungle, without losing our soul. Even if you don't *want* to play politics, good or bad, you still need the skills from this course to ensure that you don't become a victim of politics.

### ***Course Objectives***

- ***Understanding what power is:*** People often have a misperception of what power, the basis of political behavior, really means. By the end of this course you should be able to have not only a conceptual understanding of what power is within an organizational context but a practical grasp of what the actual sources of power are.
- ***Learning the skills toward political aspects of management:*** You should be able to develop the kind of skills needed for effective political management of organizational problems.
- ***Understanding your own political landscape:*** Since effective political intervention requires you to be conscious about the political dimensions of your own management and influence style, we would , through discussion of actual business cases, try to identify each of our own political skill set at play, and thus bring to the surface, and critique, the internalized "rules of the game" we follow in political situations.
- ***Developing a personal agenda for successful political management of your career:*** By the end of this course, you should have gained substantial insight into how best to harness your political skills for

effective management of your career path. Since unfettered political behavior can lead to dysfunctional consequences for the individual manager as well as the organization, we would also explore the legal, ethical and other normative issues that circumscribe and channel political conduct.

## **Course Materials**

1. **Jeffrey Pfeffer, *Power – Why some people have it and others don't.*** New York: Harper Collins, 2010
2. **HBS Case E-Packet.** Available at the NYU Professional Bookstore (Phone: 212 998 4681). *Order on line from:* <http://www.bookstores.nyu.edu>

## **Course Requirements**

The assigned text book is best read in one sitting. It's an easy read, written in a quite reader-friendly, lucid prose. You will notice I have assigned almost the entire textbook to be read within the first few sessions of the class. Since the various cases will invoke, to a different degree, discussion across several chapter topics from the book, it is imperative you read the book full and early. This will help us have a much more comprehensive discussion of cases that follow.

Besides the text, you will be responsible for the readings and cases assigned for specific class meetings. I will also provide assorted handouts from my personal list of preferred readings outside the course materials.

### **GRADING (with approx weights)**

<i>Case Briefs due on each session (Email to TA)</i>	30%
<i>1 Individual Case Report due session 10</i>	30%
<i>Take home finals due last session</i>	20%
<i>Class Contribution Including Attendance</i>	20%

**Case Journal on each session's cases: Approx. half a page per case. Due at start of each class session except session 1, 10 & 12. Skip video cases.**

For each case, you need to write half a page of **power audit** and critique: Identify what are the power bases of the principal actor (X) and their strengths vs the other player's (Y); give a synoptic critique of his/her use of power; make a judgment call on whether it was an effective or ineffective use of power; and a brief take away from your reading of this case. Try not to exceed half a page per case. You can play around with font size and margins but *keep it within the limit*. Be kind to trees (and my TA). **Ignore video cases.**

*When you are writing your journals, I recommend spending: 1/3<sup>rd</sup> space on x vs y power audit, 1/3<sup>rd</sup> on what you would do in the situation, and 1/3<sup>rd</sup> on your take-aways.*

Feel free to use multiple columns/charts for the power audit/single spacing. Case journals are due at start of class . **Upload them before class starts, as word files. No need for hard copies.**

**Case briefs are due on all class sessions except session 1, 10 & 12.** Case Briefs are graded pass/fail. Except for few great ones which get a \*. If you hand it in time and follow the format given above, you pass. Thus you know your grade even as you hand it in. **Late Case Journals will NOT be accepted.** The case journals will not be returned to you. If you wish feedback on any, just email the TA for a quick response. For each journal, a sampler of \* responses will be posted to benefit all.

**Individual case write-up (Donna Dubinsky) Due Session 10**

*Specific assignment questions for this case will be distributed* in the prior session and the report will be due no later than the date and time it is scheduled for discussion in class. The report must be typed and approx. 3 pages, 1.5 or double spacing plus exhibit/s. Late papers will not be graded.

***Class Attendance and Participation***

This being an interactive, discussion-driven course, attendance is required. Evaluation of class participation will be based upon the student's ability to raise and answer questions, to bring up ideas or insights and to build upon the ideas of others. Statutory warning: Class absence is injurious to your participation grade!

*Any problems?* Feel free to get in touch with me and share your thoughts and expectations on the course. The email is the best and the fastest way to reach me. Remember, wherever you are, I live only a mouse click away!

## *Schedule of Assignments*

***Theme: The bases of power and how individuals use them***

**JUL 6****Session 1**

Introduction.

Browse through the text book and be prepared to discuss what you found interesting in it.

***Reading: Power is the Great Motivator***

***Case: Robert Moses, the Power Broker*** (Video case will be done in class. No need to prepare ahead)

**JUL 6****Session 2**

***Case: Amelia Rogers at Tassani Communications.***

*Power Audit X vs Y: Amelia vs Dave*

**Study Questions**

1. What is going on here? Why did Burns call Johnson? Why did Johnson call Rogers?
2. What should Rogers do? Should she speak to Burns? To Paglia? What influence strategy and tactics she should use?

***Case: InterSoft of Argentina. A & B.***      *Alexey vs Hernan*

**Study Questions**

Questions for role play simulation will be provided in class.

**JUL 13****Session 3**

***Case: Lisa Benton.***      *Lisa vs Deborah*

**Study Questions**

1. How did Lisa Benton get into this mess?
2. Could she have done anything differently?
3. What should she do now?

***Case: Jeffrey Sonnenfeld.***      *Prof Sonnenfeld vs Prof Chace*

**Study Questions**

1. What is the nature of organizational politics you see in this case?
2. How would you evaluate Sonnenfeld's strategy and actions?
3. As Sonnenfeld's political advisor, what do you recommend?

***Theme: Structural holes and how they fill up with power***

**JUL 13****Session 4**

***Case: Basil "Buzz" Hargrove and de Havilland, Inc.***      *Basil Buzz vs Merv Gray*

**Study Questions**

1. What are the crucial issues facing Hargrove at the end of the case?

2. Why was Hargrove unable to convince Gray and the rest of the bargaining committee to support what Hargrove believed was an excellent proposal from de Havilland management?
3. Compare and critique the power bases of Hargrove and Gray. How do these power bases affect the events we see unfolding in the case?
4. If you were in Hargrove's position at the end of the case, what would be your action plan for getting the agreement accepted?

**Video Case: TBA.** No need to prepare ahead.

**Theme: How environments reshape power dynamics**

**JUL 20**

**Session 5**

**Case: Technology Transfer at a Defense Contractor: Parsons Controls.**

No write up required for this case.

**Study Questions**

This is a rather plodding case. Just skim the case and focus on how the power relationship between the Design Engineers and Manufacturing Engineers has changed due to outside environmental changes.

**Theme: Gender, culture and power**

**Case: Karen Leary.** Karen Leary vs Ted Chung

**Study Questions**

1. How has Leary taken charge of the Emville branch office?
2. What do you think of Chung's performance?
3. What are the problems/issues you need to anticipate in managing subordinates with different cultural backgrounds and working styles?

**JUL 20**

**Session 6**

**Case: Precista Tools.** Greta Heubel vs Papa Heubel

**Study Questions**

1. Greta Huebel was her key lieutenant. Now she wants to resign from the company. How come?
2. What are the cultural/organizational/family issues at work here?
3. It is late May, 1986. Greta has just returned to Switzerland. What should she do?

**Theme: How crises and mishaps create opportunities for power**

**Case: The Cat is out of the Bag - KANA and the Layoff.** Vicki vs Bryan

**Study Questions**

1. What is the political climate at KANA?
2. Who does Vicki need to influence? What tactics should she use?
3. How should Vicki deal with her own emotions after the mistake occurs?

**JUL 27**

**Session 7**

**Theme: Coalition politics and the power of persuasion**

**Case: Sunk Costs: The Plan to Dump the Brent Spar (A).** Shell vs Green Peace

**Study Questions**

1. Why didn't Shell see it coming?
2. What was Greenpeace's strategy? How could Shell have countered it?
3. What else could Shell have done once Greenpeace occupied the Brent Spar?
4. Who won? Who lost? What does this case say about the limits of power?

**Case: Lyndon B Johnson . Video Case. No need to prepare ahead.**

JUL 27

**Session 8**

**Case: Reverend Jeffrey Brown.**      *Rev Brown vs The Gangs*

**Study Questions**

1. Map out Brown's sources of power and identify his objectives. How will his existing power sources help or hinder his achievement of these objectives?
2. What were the factors critical to the success of the "Boston Miracle"?
3. At the end of the case, the potential for increased youth violence in Boston appears to be rising. Are the efforts of Brown and the Coalition sustainable in Boston? What do they need to do to assure that youth violence will not revert back to the levels seen in the early 1990s?

**Case: Presenting Penpoint . No write up required for this case.**

**Study Questions**

If you can get hold of Jerry Kaplan's best-selling book *Startup: A Silicon Valley Adventure*, it will be great. Otherwise, read the case and we will do it as a role playing simulation exercise in class.

**Reading: Six Principles of Successful Persuasion**

**Theme: The power of teams and the power play within teams**

AUG 3

**Session 9**

**Reading: Identity Issues in Teams**

**Reading: Overcoming Group Warfare**

**Case: Army Crew Team.**

*Instead of a power audit, just analyze how the conflict came about and your ideas on how to resolve it.*

**Study Questions**

1. Why does the Varsity team lose to the JV team?
2. What should coach P have done differently earlier in the season to resolve this problem?
3. At the end of the case, what actions should he take on Tuesday? Why?
4. How is the Army Crew team different from other organizational teams you have seen?

**Theme: Career Politics: Power dynamics in building one's career****AUG 3****Session 10****Case: Donna Dubinsky and Apple Computer, Inc.***This is a midterm write-up case. Questions will be posted a week ahead.***Case: Katharine Graham. Video Case. No need to prepare ahead.****AUG 10****Session 11****Ch: 16 to 18.** Power Dynamics: How power is lost and how organizations change**Reading: Why Good Managers Make Bad Ethical Choices****Reading: Beyond the Myth of the Perfect Mentor.****Case: Heidi Roizen***No need for power audit. Just critique how Heidi cultivates and uses her different power bases.***Study Questions**

1. What are the strengths of Roizen's network as we see it at the end of the case? The weaknesses?
2. What specific steps did Roizen take to develop her network? To maintain it?
3. How does your own network compare with Roizen's? To what extent are the differences due to the political structure in which the networks exist? To what extent are the differences due to personal preferences and style?
4. What suggestions would you give Roizen for adjusting and maintaining her network as she becomes more involved as an Internet venture capitalist?

**Case: Joline Godfrey . No write up required for this case.****Study Questions**

1. What were Godfrey's professional and personal objectives?
2. How did she create Odysseum? What obstacles did she face? What sources of power and influence strategies did she use? What mistakes did she make?
3. What did Godfrey gain from Sudbey? And Sudbey from Godfrey?

**AUG 10****Session 12****Reading: Managerial Networks****Reading: How to Build Your Network.****Case: Jerry Sanders.***No need for power audit. Just critique how Jerry cultivates and uses his different power bases.***Study Questions**

1. How is Sanders' interpersonal style? How do you rate his persuasion tactics?
2. How does Sanders develops his power and influence?

**Case: Kevin Simpson.**      *Kevin at Haemonetics vs Kevin at Eli Lilly*

**Study Questions**

1. What is your assessment of the power dynamics at Eli Lilly? At Haemonetics?
2. What sources of power and what influence skills will be necessary for Simpson to be effective at Eli Lilly? At Haemonetics?

**Course Concepts Review.**

**Take home finals due.**

***ABSTRACTS OF CASES & READINGS (In alphabetical order)*****Amelia Rogers at Tassani Communications**

Describes a conflict that has arisen between an account manager and a creative director at Tassani Communications, a Chicago-based advertising agency which is making the transition from entrepreneurial to professional management. The client, the marketing director of a muffler repair chain, has called the account manager to complain about the creative director's behavior. The account manager must figure out what to do. The object is to provide students with an opportunity to grapple with the challenges of managing relationships with peers and superiors. Case helps us discuss managing 1) cross-departmental relationships, 2) interpersonal conflicts, and 3) creativity

**Basil "Buzz" Hargrove and de Havilland, Inc**

Buzz Hargrove, national president of the Canadian Auto Workers, needs to find a way to secure an agreement from a negotiated contract with de Havilland, Inc. Local union leaders feel the deal is not good enough, but Hargrove is convinced management will close the plant down otherwise. Case deals with Multi-level negotiations, dealing with "holes" in one's power base, and using media to create voice and power.

**Beyond the Myth of the Perfect Mentor.**

Instead of embarking on an odyssey for the perfect mentor, individuals should pursue a strategy of building a network of developmental relationships. In this note, we explore the process by which such a network can be established and cultivated: 1) What functions can developmental relationships serve? 2) How are these relationships formed and maintained? 3) With whom in an organization can an individual establish such relationships? and 4) What are some of the special challenges those in the minority face in building these relationships? In summary, we offer guidelines for building a constellation of developmental relationships.

**Donna Dubinsky and Apple Computer, Inc.**

Describes a major conflict within Apple Computer in 1985 over control of product distribution. The founder and chairman, Steve Jobs, proposed a new distribution process which would transfer many responsibilities away from distribution manager, Donna Dubinsky. Dubinsky believed, however, that this process would be practically and financially unworkable. Presents her defensive and unsuccessful conflict management, culminating in her threatened resignation.

**Heidi Roizen**

Heidi Roizen, a venture capitalist at SOFTBANK Venture Capital and a former entrepreneur, maintains an extensive personal and professional network. She leverages this network to benefit both herself and others. The case considers the steps she's taken to build and cultivate a network that is both broad and deep. Provides an example of an effective social network; facilitates discussion of network types, content, costs, and benefits.

**Identity Issues in Teams**

This note explains how identity dynamics underlie many of the observable interpersonal problems that team members encounter, ranging from lack of participation and low involvement to misunderstandings and dysfunctional emotional conflict. It provides a framework for understanding

how to recognize and manage identity issues in teams, including sections on communicating identities, forming impressions, and the consequences of the resulting level of congruence between people's identities and others' impressions of them. Outlines action steps managers can take to increase the level of interpersonal congruence in their teams, which should, in turn, make their teams more effective.

### **InterSoft of Argentina**

Focuses on InterSoft of Argentina, a growing software company in Argentina. In 1993, InterSoft acquires a Russian software company and Emilio Lopez, the vice president and director of InterSoft's Systems Software Lab, must manage a creative, cross-cultural, "virtual" team. This case illustrates InterSoft's origins and highlights the relationship between the founding partners, Lopez and Felix Racca.

### **Jeffrey Sonnenfeld (A)**

Jeffrey Sonnenfeld was a professor at Emory University's Goizueta Business School. He was a "star" at Emory and was extremely popular with the students. He was also extremely successful at raising funds for Emory's Center for Leadership and Career Studies. He had close relationships with some of the most powerful CEOs and business leaders in the country who regularly attended the center for conferences that he led. It was common knowledge that Sonnenfeld had conflicts with the dean of the business school and the dean of the entire university. Sonnenfeld was caught on video camera jumping up and down the business school hallways and potentially scraping the walls. The university fired him and interfered with his outstanding offer to head up Georgia Tech's business school. Sonnenfeld's reputation was ruined and he was out of his current job. Furthermore, his career was potentially ruined.

### **Jerry Sanders**

In 1997, Jay Sanders sold his 10-month-old medical device start-up company for more than \$33 million. Looking to the future, he wondered if this was a success he could transform into a medical device brokerage business. As he reviewed his career history and the development of his start-up, Sanders was betting that he could replicate his success.

### **Joline Godfrey**

Describes how Joline Godfrey, an intrapreneur at the Polaroid Corp., introduced and developed a project that could help Polaroid move to a more service- as opposed to product-oriented focus. Also depicts the mentor-protege relationship between Godfrey and Gerald Sudbey, a senior executive in the company. Addresses two issues: intrapreneurship and mentor-protege relationships. Allows the students to explore the process of intrapreneurship, what it takes to effectively be a change agent in an organization. In addition, provides them with a textured understanding of mentor-protege relationships--the various stages they go through, and the challenges and benefits they represent.

### **Karen Leary**

Describes the evolution of the working relationship of Karen Leary, a new manager of a Merrill Lynch retail branch, and Ted Chung, a new financial consultant in the branch. Leary has some concerns about her working relationship with Chung and with his performance. Chung makes what Leary perceives to be an unreasonable request for a private office. Leary must respond to this request, taking into account the implications of her decision for her ambitions for the branch office and her career.

### **Katharine Graham**

Details the career of Katharine Graham of the Washington Post Co., a pioneer in her field and one of the first high-profile women to lead a major public company. Her story is a unique example of how

power and expertise are built over time, and differs from those of other business leaders in that she was unexpectedly thrust into a leadership position. Though Graham could have been a figurehead leader of the Washington Post Co., she gradually became a powerful national player: a publisher and CEO in more than title.

### **Kevin Simpson**

Follows Kevin Simpson, a second-year Harvard Business School 1990 student, through his job search to his final decision between two very attractive but different job offers: a job as an international marketing manager at Eli Lilly and Co., a leading multinational health product corporation; and a position as the assistant to the president of Haemonetics, an entrepreneurial company in the biomedical equipment field. Addresses the factors Simpson should consider when making job choices as well as the issues he faces as an African-American professional.

### **Lisa Benton**

Lisa Benton is in her fourth month as an assistant product manager at Houseworld, a leading consumer products company. She has been on the job since graduating from the Harvard Business School, and she has been frustrated from the start by a lack of responsibility, by her poor relationship with her boss and a colleague, and recently, by the negative performance review she received. Concerned about her future at Houseworld, Benton is considering calling her former boss from her summer job to inquire about a position. Case helps us highlight the challenge of establishing credibility and power in a new job, and focuses in particular on managing difficult boss and peer relationships.

### **Managerial Networks**

Describes a managerial network as a set of relationships critical to a manager's ability to get things done, get ahead, and develop personally and professionally. "Networking" refers to the activities associated with developing and managing such relationships. Describes different types of networks, outlines characteristics that make networks useful, and concludes with practical guidelines for developing a useful network.

### **Overcoming Group Warfare**

Two strategies for resolving intergroup conflicts have been found: the interpersonal facilitator approach, which relies on a neutral person to serve as an intermediary between disputing parties so that they can find common ground, and the interface conflict-solving approach, which has disputants deal directly with each other under the direction of a neutral person who leads them through five steps to identify and resolve their differences. The interface conflict-solving approach usually relieves tension between warring parties better than the interpersonal facilitator approach.

### **Power is the Great Motivator**

What makes or motivates a good manager? This article attempts to answer that question by using the degree of a person's need for power as a measure of success. McClelland and Burnham studied managers in large U.S. corporations. They also surveyed the managers' subordinates to determine how effective the managers were and to isolate the characteristics of those who created high morale. Their conclusions? The better managers tended to score high in their need for power--that is, their desire to influence people--and that need outweighed their need to be liked. The authors also found that the most effective managers controlled their desire for power so that it was directed toward the benefit of the institution as a whole.

### **Precista Tools AG**

A young woman manager in a Swiss family firm finds that her role as a managing director becomes bitterly unpleasant once her older brother decides to leave an engineering career and join the family

business. That is what the father, who was head of the business had been hoping and waiting for. He begins to belittle and ridicule the daughter. The board of directors also favors a male successor. The daughter writes a letter of resignation just before taking a trip abroad. While she is overseas, both parents write letters asking her to reconsider.

### **Presenting Penpoint**

Containing excerpts from Jerry Kaplan's best-selling book, Startup: A Silicon Valley Adventure, this case begins with Kaplan's idea for developing a hand-held, pen-operated computer. It follows Kaplan, who becomes the CEO of GO Corp., as he goes on the road to sell his idea to investors and customers. Closes as Kaplan prepares to pitch his idea to the data processing administration of State Farm Mutual Life Insurance. With IBM and other established firms as competitors, Kaplan must plan his presentation carefully. Provides an opportunity to consider strategies for influencing an audience. In class, using role play, we can practice using persuasion tactics to influence the intended customer, State Farm.

### **Reverend Jeffrey Brown**

Introduces Reverend Jeffrey Brown, one of the cofounders of the Ten Point Coalition in Boston, MA. The Ten Point Coalition, a group of ministers that worked to change the dynamics between the Boston Police force and the kids on the street, was instrumental in reducing the rate of youth violence in Boston. Describes the unique history of Boston, and how the coalition came to be successful in Boston, and wrestles with the question of whether or not the success can be replicated in other cities and around the world. The case introduces use of power as a way to change communication structure and network structure, the powerful role of language in shaping the meaning attached to issues and events, and provides an example of using personal power to benefit society.

### **Six Principles of Successful Persuasion**

Describes some of the key principles that managers must follow in order to successfully persuade their organization of their vision for change.

### **Sunk Costs: The Plan to Dump the Brent Spar (A)**

This case explores the conflict between Shell Oil and Greenpeace over Shell's plans to sink the aging Brent Spar oil platform in the North Atlantic. It details the tactics Greenpeace employed and examines Shell's responses. This case covers issues in organizational crisis and coalition building.

### **The Cat is out of the Bag - KANA and the Layoff**

Vicki Amon-Higa, vice-president of KANA, a publicly traded, mid-size development company, was working with Bryan Kettle, KANA's CFO, to plan a layoff whereby KANA would reduce the size of its workforce by nearly 40%. Despite the best of intentions, news of the layoff leaked before the planned announcement. The situation quickly deteriorated as a series of irate managers called Amon-Higa, demanding to know why they weren't aware of the layoff and asking her how to handle the situation. She must quickly assess the situation, figure out what went wrong, and decide how to manage each of the company's stakeholders, including Chuck Bay, KANA's CEO. This case examines conflict, speaking, up, and crisis management and how best to leverage one's power.

### **Technology Transfer at a Defense Contractor; Parsons' Controls**

At a time of great changes in the corporate environment, Larry Yoshino, a design lab manager at Parsons Controls Corp., faces a delay in a costly defense project due to the inability of one of his subordinates to gain the cooperation of engineers at Parsons' manufacturing plant. The physical

distance between the plants, different functions, and unequal power relations feed the conflict, forcing Yoshino to reexamine his role. The case promotes discussion of 1) friction between design and manufacturing, 2) managing self-managing professionals, and 3) changing behaviors to reflect new competitive situations.

### **Why Good Managers Make Bad Ethical Choices**

How can usually honest, intelligent, compassionate human beings act in ways that are callous, duplicitous, dishonest, and wrongheaded? Unethical behavior is found everywhere, and ambitious managers facing murky borderlands between right and wrong sometimes cross over the line. Their decisions ruin people's lives, destroy institutions, and give business as a whole a bad name. But executives can establish effective guidelines to ensure their corporations' survival. There are practical solutions to the rationalizations that give way to unethical behavior.