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BASES OF POWER AND INFLUENCE TACTICS: A TEST OF CONGRUENCE HYPOTHESES

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BASES OF POWER AND INFLUENCE TACTICS: A TEST OF CONGRUENCE HYPOTHESES

by

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ABSTRAK

Objektif umum kajian ini ialah untuk menyelidik penggunaan kuasa oleh penyelia dan subordinat dan hubungannya dengan pengunaan taktik pengaruh oleh penyelia. Secara khususnya, tujuan kajian ini ialah untuk melihat persamaan kuasa dan kesannya ke atas taktik pengaruh di dalam firma-firma sektor pembuatan di Malaysia. Kajian ini berbeza daripada kajian terdahulu dengan menghubungkaitkan persamaan kuasa di antara penyelia dan subordinat sama ada dari sudut persepsi sendiri atau seperti persepsi oleh subordinat atau penyelia dengan tiga dimensi taktik pengaruh yang dikenali sebagai, taktik kuat, taktik lemah, dan taktik pujukan rasional. Kajian ini mungkin merupakan kajian yang pertama yang mengguji “hipotesis persamaan” dalam rangka kepimpinan. Ini adalah bertujuan untuk mendapat pandangan yang lebih mendalam mengenai pengurusan firma-firma sector pembuatan yang berkemungkinan menggunakan kuasa mereka untuk meningkatkan keberkesanan penggunaan taktik pengaruh terhadap subordinat mereka. Sepuluh hubungan hipotesis am telah diuji dalam kajian ini membabitkan sampel sebanyak 385 pasangan penyelia dan subordinat di 82 firma-firma sektor pembuatan di Selangor/Kuala Lumpur, Pulau Pinang, dan Sarawak. Dari segi metodologi, kajian lepas lebih cenderung kepada kecendongan kaedah lazim. Walau bagaimanapun, kajian ini ternyata bebas daripada kecenderungan bias ini dengan pengumpulan data dari dua sumber. Secara amnya, analisa keputusan telah menunjukkan sokongan yang agak sederhana terhadap hipotesis. Kajian ini mungkin merupakan kajian yang

pertama yang menghasilkan satu set baru item persamaan kuasa di mana pengukuran secara serentak daripada perspektif penyelia dan subordinat telah diambil kira dalam mengenalpasti aspek kesamaan. Empat hipotesis yang pertama yang mengkaji hubungan secara langsung di antara kuasa penyelia dan subordinat dengan taktik pengaruh, telah menunjukkan bahawa penyelia akan menggunakan taktik pengaruh yang pelbagai ke atas subordinat mereka. Taktik pujukan rasional telah menunjukkan min tertinggi berbanding dengan taktik pengaruh lemah dan kuat dalam hubungan secara langsung di antara kuasa dan taktik pengaruh. Untuk hipotesis secara tidak langsung, hanya satu dimensi dalam taktik pengaruh didapati signifikan bagi setiap hipotesis persamaan kuasa. Keputusan membuktikan bahawa kedua-dua penyelia dan subordinat dipersepsikan sebagai mempunyai kuasa posisi dan penggunaan taktik pengaruh kuat adalah paling menonjol. Sebaliknya, jika kedua-dua pihak dikatakan mempunyai kuasa peribadi, penyelia akan memilih untuk menggunakan taktik pengaruh lemah. Tidak dinafikan bahawa, kajian menyediakan satu platform konsepsi dalam keberkesanan penggunaan taktik pengaruh. Kajian ini mungkin berguna untuk mereka yang berada dalam posisi untuk menpengaruhi, untuk membantu penyelia dan subordinat memahami secara lebih jelas asas tindakan mereka, dan kemungkinan yang timbul ekoran daripada tindakan mereka. Secara pratikal, kajian ini merumuskan bahawa pengurus dan eksekutif di Malaysia perlu dilatih dalam penggunaan taktik pengaruh yang lebih berkesan.

BASES OF POWER AND INFLUENCE TACTICS: A TEST OF CONGRUENCE HYPOTHESES

ABSTRACT

The general objective of this study was to examine the supervisors' and subordinates' use of power and their relationships to supervisors' use of influence tactics. Specifically, the purpose of this study was to examine power congruence and its impact on influence tactics in manufacturing companies in Malaysia. The present research differs from the previous studies by linking power congruence between supervisors' and subordinates' power either from self or as perceived by their subordinates or supervisors with three dimensions of influence tactics known as, hard, soft, and rational appeal tactics. This study is perhaps the first that tested "congruence hypothesis" in leadership framework. The objective was to gain insight into ways by which the management of manufacturing companies might use their power to enhance the effective use of influence tactics on their subordinates. Ten broadly hypothesized relationships were tested in a field study with a sample of 385 pairs of supervisors and subordinates working in 82 manufacturing companies in Selangor/Kuala Lumpur, Penang, and Sarawak. Data were gathered from both supervisors and their subordinates by means of questionnaires. Methodologically, past research had been prone to common method bias. However, this study has demonstrated to be relatively free from this bias by collecting data from two sources. By and large, the results from the analyses have indicated moderate support for the hypotheses. This study is perhaps the first to generate a new set of power congruence items in which

simultaneous measurement from two perspectives-supervisors and subordinates-were taken to examine the aspect of mutuality. The first four hypotheses which investigate the direct relationship between supervisors or subordinates power and influence tactics revealed that supervisors would apply various influence tactics on their subordinates. Rational appeal tactics has exhibited the highest mean as compared with soft and hard influence tactics in the direct relationship between power and influence tactics. For the indirect hypotheses, only one particular dimension of influence tactics was found significant for each power congruence hypotheses. The results confirmed that when both supervisors and subordinates were perceived to have position power, the use of hard influence tactics was most apparent. Conversely, when both of them were seen to have personal power, supervisors would resort to the use of soft influence tactics. Inevitably, this study provides a conceptual foundation for the effective use of influence tactics. This study may be useful for those who are in positions of influence, to help the supervisors and subordinates understand more clearly the bases of their own actions, and the possible alternatives to their actions. Practically, this research points to the fact that Malaysian managers and executives need to be trained in the effective use of influence tactics.

CHAPTER 1

INTRODUCTION

1.1 Background

This study seeks to answer the following general question: What types of influence tactics are adopted by supervisors based on the compatibility of bases of power between them and their subordinates?

Leadership is a process of interaction between leaders and subordinates where a leader attempts to influence the behavior of his or her subordinates to accomplish organizational goals (Yukl, 2005). In other words, leadership is described as the selection of bases of influence (Krause, 2004). It was revealed that there is more conceptual confusion about influence processes than any other dimensions of leadership (Yukl, 2005).

Leadership cannot take place without the participation of the subordinates and power is the essence of leaders' behavior. Kanungo (1998) regarded leadership as exercising influence over others by utilizing various bases of social power in order to achieve organizational objectives. Lawrence, Mauws, Dyck, and Kleysen (2005) noted that power has been defined narrowly in the theory of management and scholars have recognized that a wide variety of forms of power can take place in organizations. Studies in the past on power have illustrated how supervisors gain or lose their power, how different uses of power types contributed to leadership effectiveness, and how the influence of behavior contributes to effective leadership (Covaleski, Dirsmith, Heian, & Sajay, 1998; Fiol, O'Conner, & Aguinis, 2001; Shen & Cannella, 2002).

According to Yukl (2005), numerous studies on the theory of leadership can be summarized into five broad theories, namely, trait, behavioral, contingency or situational approach, contemporary integrative approach, and power and influence approach. The trait approach refers to the inherent personal characteristics of the

leaders where the original trait conception of leadership was founded on the major assumption that leaders possessed universal characteristics that made them leaders; those traits were seen to be relatively fixed, inborn, and applicable in various situations. The behavioral approach is defined as behaviors of the leaders. Tjosvold (1981) theorized that if power were to be defined in field theory rather than in behavioral terms, it is more like the control of valued resources where A has power in relation to B when A has resources that can affect the extent that B accomplishes goals. Later, contingency or situational approach came into the picture which largely displaced the dominant trait and behavior approach. This approach views leadership effectiveness as dependent upon a match between leadership style and the situation. It also focuses on the degree to which the situation gives control and influence to the leaders. The primary thrust was that the qualities of leaders differentiate in various situations and so were those qualities were perhaps appropriate to a particular task and interpersonal context.

The contemporary integrative approach focuses on the leaders' intellectual ability to move to higher levels of motivation. And finally, the power and influence approach treat leadership effectiveness in terms of the amount of power and the exercise of power. Vescio, Snyder, and Butz (2003) posited that the type of power used by high-power people to induce subordinates' compliance or garner subordinates' commitment towards goal attainment depended on the powerful people's beliefs about the ability of subordinates to either assist or thwart goal attainment. In addition subordinates often comply in total and without question with harsh requests made by high-power people because they are perceived as having legitimate power in line with their high position in the organization hierarchy.

Many studies on leaders or supervisory power have shown that power sources have been conceptualized in various ways (Alip, 2003; Bhal & Ansari, 2000; French & Raven, 1959; Jayasingam, 2001; Kipnis, Schmidt, & Wilkinson, 1980; Oh, 2002). Further, power can be derived from sources inherent in the organization,

interpersonal relationships, and the characteristics of the individuals (Ragins & Sundstrom, 1989). Hence, the present research focuses on power-influence approach leadership--that is to address the issue of bases of power, power congruence, and supervisors' use of influence tactics in leader-follower relationship.

Social influence process is a vital aspect of organizational behavior. Pfeffer (1981) defined influence as the ability to exercise power in order to overcome resistance in achieving a desired objective or result. Social influence processes are generally regarded as a pervasive aspect of organizational life. As suggested by Drucker (1999), organizations are now evolving toward structures in which rank means responsibility but not authority, and where the supervisor's job is not to command, but to persuade. Blickle (2003) contended that, in order to be effective, it is critical for managers to influence their subordinates, peers, and superiors to assist and support their proposals, plans, and to motivate them to carry out with their decisions. Previous researchers on managerial performance such as Kanter (1982) and Pavett and Lau (1983) pointed out that an important component of successful management is the ability to influence others. For the past two decades, several experts (such as Ansari, 1990; Ansari & Kapoor, 1987; Bhal & Ansari, 2000; Kipnis & Schmidt, 1988; Yukl & Tracey, 1992) have made substantial contribution to the understanding of the influence processes in the organizations where agents attempt to change the attitudes and obtain compliance from other persons (the targets) in the organizations. According to classical theorists (Cartwright, 1965; French & Raven, 1959; Kipnis, 1976; Lewin, 1951), social influence could be seen as the primary consequence of power where power is defined as the ability to change others' behavior, thoughts, and feelings (Cialdini & Trost, 1998; French & Raven, 1959).

Past studies have indicated that influence tactics to be applied by superiors depended on the relative power of the parties, the objective of the influence attempt, and the circumstances they choose to apply it (Ferris, Perrewe, Anthony, & Gilmore, 2000; Hinggins, Judge, & Ferris, 2003). There have been numerous empirical

researches on the managers' influence behavior since the early 1980's. For example, various researchers (Ansari, 1990; Bhal & Ansari, 2000; Ching, 2004; Erez, Rim, & Keider, 1986; Kipnis et al., 1980; Kuan, 2004; Liew, 2003; Omar, 2001; Rohaida, 2002; Schriesheim & Hinkin, 1990; Semorasen, 2004; Shankar, 2004; Yukl & Falbe, 1990) have studied directions of influence tactics, while others (Ansari & Kapoor, 1987; Erez & Rim, 1982; Hinkin & Schriesheim, 1990; Schilit, 1986; Yukl, Falbe, & Youn, 1993) have examined the relative effectiveness of different tactics in relation to organizational contexts.

Traditionally, power and influence have been viewed as discrete. French and Raven (1959) distinguished power from influence, where power refers to the ability or potential of an agent to alter a target's behavior, intentions, attitudes, beliefs, emotions, or values, whereas influence refers to the actual use of power, for example, in the form of influence tactics such as threats or promises. In interpersonal influence, French and Raven's typology has been among the most famous approaches to the conceptualization of the bases of power. Power and influence have been the focus of various researchers for the past four decades (Rajan & Krishnan, 2002; Speakman, 1979; Stahelski & Paynton, 1995; Yang, Cervero, Valentine, & Benson, 1998; Yang & Cervero, 2001).

Despite the enormous breadth of the literature on the relevance of power to organizational influence in general, and to an understanding of leadership in particular, research studies of power and influence are not well integrated. This is evidenced where the research on influence strategies that superiors use to translate power into actual influence is relatively recent (Ansari, 1990; Farrell & Schroder, 1999; Hinkin & Schriesheim, 1990; Somech & Drach-Zahavy, 2002; Venkatesh, Kohli, & Zaltman, 1995). This is so because some researchers have often confused power with influence, where these two terms were used. Fung (1991), made a distinction between influence and power, stating that agents should only choose a particular influence tactic after assessing their own power, their targets' power and

the relative strength of their power vis-à-vis the strength of their targets' power. An influence attempt can be presented in a harsh way, for example in a forceful, threatening, or sarcastic mode; or in a softer and rational way such as a friendlier and light-humored mode.

On the other hand, researchers have indicated that competitive advantage is created by congruence, which does not necessarily refer to resource sharing (D'Aveni, Ravenscraft, & Anderson, 2004). Hence, the question of congruence between workers has accordingly become more complicated and has emerged as important and meaningful for organizations of the modern age. On a similar note, it has been found that leadership works best when there is a match between the identity level of followers and the focus of leaders, as people of similar tend to be attracted to each other (Lord & Brown, 2001). Past researches in the literature on manager-employee attitudinal congruence have generally found that attitude similarities between managers and employees are linked positively to job-related outcomes (Lee, 2003; Lim, 2001; Shore & Coyle-Shapiro, 2003). As indicated above, supervisor-subordinate interactions and unequal power distributions are some pervasive features of modern organizations. Thus, a better understanding of these effects offers insights into positively influencing employees' behavior.

Psychologists (Cartwright, 1959; Dansereau, Graen, & Haga, 1975) have in the past viewed power more on aspects of interaction than on the qualities of one person. Thus, the goal of this study was three-fold: (a) to develop a better understanding of the meaning of power congruence in the workplace and to suggest the effective use of influence tactics, (b) to explore the relationship between aspects of power congruence and a variety of influence tactics in organizations in Malaysia, and (c) to draw conclusions on possible implications of these relationships for organizations in general and for the manufacturing sector in particular.

1.1.1 The Malaysian Scenario

In view of the fact that Malaysia's colonial heritage, coupled with more recent foreign direct investments by Japanese and Westerners, the traditional patterns of leadership and business management have been modified (Sin, 1991). It is evidenced that Malaysians' management styles and practices are being modified especially in those working in manufacturing companies that reported directly to their foreign partners and/or bosses. In spite of the above statement, it has been found that Malaysian leaders are not expected to be self-serving such as placing their own interest ahead of the group, as they are still governed by their key cultural and religious values which underpin their behavior, beliefs, and attitude (Kennedy & Mansor, 2000).

Past studies on leadership have not found conclusive evidence on Malaysian leadership style. For example, Gill (1998) suggested that Malaysian managers are found to be more direct, less delegate, and are more transactional. However, Govindan (2000) reported that Malaysian leaders lean more towards participative and consultative styles. This is in line with the assertion of Abdullah (1992) that the use of stronger tactics in Malaysian context is not likable as Malaysians generally are not in favor of overt display of anger and aggressive behavior.

Most of the published literatures on Malaysian leadership have focused on four distinct yet related theoretical frameworks such as, leadership preferences, leadership behavior, leader-member exchange approach to leadership, and power-influence approach to leadership (Ansari, Ahmad, & Aafaqi, 2004). It is believed that both the supervisors and subordinates have the ability and tendency to influence one another. This scenario is especially true in large organizations such as in manufacturing companies in Malaysia where there exists the bidirectional relationship of influence between supervisors and their subordinates. As revealed by Abdullah (1996), Malaysian managers are only familiar with one level of interaction; hence, it is time to learn through exposure to different work settings, social

interaction, and observation of work related practices not only in intracultural levels, but at the intercultural levels, and cross-cultural levels.

1.2 Problem Statement

Many manufacturing companies in Malaysia have either downsized, rightsized, or made other adjustments in response to the economic pressures of the last decade, hence, the ability to influence subordinates within organizations has become a requisite competency and may be more critical to job-related success for many managers. According to Noypayak and Speece (1998), as business becomes more and more competitive, the issue of influence tactics which managers use to gain cooperation and compliance from subordinates becomes a critical issue.

Human resource management faces challenges of bringing better fitted workers into the organizations and meeting the workers' needs and expectations. Thus, there is a compelling demand to develop better ideas, strategies to improve the interface between employees and employers, and to elaborate comprehensive insight that can help human resource managers get better results and improved performance (Vigoda & Cohen, 2003).

Despite the importance of influencing subordinates for leadership effectiveness, managers in organizations are generally not aware of how influential they can be, or explicitly consider their bases of power and employees' bases of power in exerting influence tactics. For example, are certain influence tactics more effective than some other tactics in influencing their subordinates? Do the tactics used vary among managers at different levels? Problem arises when supervisors want to realize their wishes and aim to influence their subordinates but yet do not have the exact knowledge in applying the most effective influence tactics to convince their workers at a particular moment. The answers to these questions have important implications for management-development efforts, especially since managers often need to influence subordinates who themselves possess different types of power.

This is an important issue since the process of influence determines how managers motivate subordinates, bring about commitment and extra effort, and assist decision-making in an organization. McFarland, Ryan, and Kriska (2002) revealed that the effective use of influence tactics is an important part of leadership. Hence, differences in influence tactics use across functional areas may make it more difficult to build a strong corporate culture that includes clear values about influence behavior (Enns & McFarlin, 2003).

Besides, past literatures have found that subordinates were not passive, but were proactive participants who would try their best to change their work environment. Therefore, it is not sufficient to focus primarily on the influencing agent as what previous power literatures have done (Kanter, 1979; Koslowsky & Schwarzwald, 1993). Furthermore, the target of influence may have a different interpretation as to why these tactics are exerted upon them. The question of how powerful the target of influence is has hardly been investigated.

Very few researches have focused specifically on the factors that contribute to the interaction effects between the supervisors' self-perceptions of power and their subordinates' perceptions of them and vice versa, and their impact on supervisors' influence tactics. Even though the concept of fit has served as an important building block in several areas of research, there is still a lack of corresponding schemes by which fit has been tested (Venkatraman, 1989). According to Fiske (2000), complementarity in human interaction is made possible by participants' shared coordination ideas to construct their own action and to interpret others' actions. It was highlighted that people can generate endless additional possibilities by combining multiple coordination ideas. Thus, this prediction is feasible only if most of the structure of that action is known a *priori*, so that there are only a few points of indeterminacy. As such, an examination from the subordinates' and the supervisors' perspective is crucial in determining whether perceptions are shared, since the process of influencing involves not only the agent of but also the target of influence.

Although a great deal of research has addressed the issue of power and influence, separately, little empirical research has examined the relationship between bases of power and downward influence tactics in the manufacturing industry. In addition, previous research on power and influence were mostly based on self-report measures, which may have spuriously inflated the observed relationship.

In a nutshell, the problem statement of this current research is: Can the compatibility (or congruence) of power between supervisors and subordinates predict the influence tactics used by supervisors? Thus, this research aims to help analyze the unique contribution of self-report on power or power as perceived by others and their congruences on the outcome variables: that is leaders' use of hard, soft, and rational influence tactics.

1.3 Research Objectives

This study attempts to meet the following objectives:

(i) to examine the impact of supervisors' self-reported power and power as perceived by subordinates on the supervisors' use of influence tactics.

(ii) to examine the impact of subordinates' self-reported power and power as perceived by supervisors on the supervisors' use of influence tactics.

(iii) to examine the impact of congruence of power between supervisors' and subordinates' on supervisors' use of influence tactics.

This study attempts to establish an empirical relationship between these two constructs, namely, power and influence by integrating the literatures on power, influence, and congruence. In other words, this study aims to find the empirical evidence on the relationship between self-reported power and power as perceived by others, and influence tactics used by supervisors in a single framework. It is believed that congruence is an important component to the appropriate selection of effective influence tactics that can reduce the risk of resistance whilst increasing job satisfaction, organization commitment and enhanced job performance as well as

reduction in staff turnover. Therefore, managers who desire to successfully influence and motivate their subordinates can utilize congruence to select the appropriate influence tactics to achieve organizational goals without antagonizing their subordinates.

1.4 Research Questions

The primary purpose of this study is to look at what types of influence strategies a particular organization needs with respect to the power possessed by supervisors or subordinates. Thus, this study investigates the supervisors' use of influence tactics as rated by subordinates and it attempts to answer the following questions:

(i) Does the supervisors' self-report power predict the use of influence tactics?

(ii) Does the power possessed by supervisors as perceived by subordinates predict the use of influence tactics?

(iii) Does the subordinates' self-report power predict the use of influence tactics?

(iv) Does the power possessed by subordinates as perceived by supervisors predict the use of influence tactics?

(v) Does the congruence between supervisors' perception of subordinates' power and subordinates' self-reported power predict the use of influence tactics?

(vi) Does the congruence between supervisors' self-report power and subordinates' perception of supervisors' power predict the use of influence tactics?

(vii) Does the congruence between supervisors' perception of subordinates' power and subordinates' perception of supervisors' power predict the use of influence tactics?

(viii) Does the congruence between supervisors' perception of subordinates' power and supervisors' self-report power predict the use of influence tactics?

(ix) Does the congruence between supervisors' self-report power and subordinates' self-report power predict the use of influence tactics?

(x) Does the congruence between subordinates' perception of supervisors' power and the subordinates' self-report power predict the use of influence tactics?

1.5 Definition of Key Terms

This section provides definitions of the important terms used in this study.

Power--the potential influence that one actor could exert on another (French & Raven, 1959).

*P*ower *base*--the source of influence in a social relationship (Ansari, 1990; Dahl, 1957; French & Raven, 1959).

Coercive power--the capacity to administer punishment or remove rewards (French & Raven, 1959).

Connection power--the connection with influential people that is valuable to others (Ansari, 1990; Bhal & Ansari, 2000; Hersey, Blanchard, & Natemeyer, 1979).

Expert power--special knowledge or expertise in a relevant area (French & Raven, 1959).

Information power--the ability to access information that is valuable to others (Ansari, 1990; Bhal & Ansari, 2000; Raven, 1965).

Legitimate power--the authority to ask others to comply with his or her demands (French & Raven 1959).

Referent power--the perceived attraction of members in a relationship to one another (French & Raven 1959).

Reward power--the ability to grant or remove rewards (French & Raven, 1959).

Influence--the implementation or outcome of power or demonstrated use of power (Ansari, 1990; Hinkin & Schriesheim, 1990).

Assertiveness tactic--the use of demands, threats, or persistent reminders (Yukl & Tracey, 1992).

Exchange tactic--exchange of benefits and sacrifices (Kipnis et al., 1980).

Instrumental dependency tactics--showing dependence on others (Ansari, 1990; Bhal & Ansari, 2000).

Ingratiation tactic--involves praise and a friendly approach to get the target to cooperate (Ansari, 1990; Bhal & Ansari, 2000; Kipnis et al., 1980).

Personalized help tactic--influence others by helping them in personal matters (Ansari, 1990; Bhal & Ansari, 2000).

Rational persuasion tactic--use of logical arguments and factual evidence to persuade others (Ansari & Kapoor, 1987; Kipnis et al., 1980).

Sanctions tactic--to draw upon reward and punishment (Ansari, 1990).

Showing expertise tactic--demonstrates expertise or special knowledge of certain field (Ansari, 1990; Bhal & Ansari, 2000).

Upward appeal tactic--get support from higher ups (Ansari & Kapoor, 1987; Yukl & Falbe, 1990).

Hard influence tactics--the direct, assertive request applied in a forceful manner (Kipnis, 1984). In this study, hard tactics consist of assertiveness, upward appeal, and sanctions.

Rational influence tactics--the use of logic and bargaining way (Ansari & Kapoor, 1987). The two types of rational tactics employed in this study are rational persuasion and showing expertise.

Soft influence tactics--seeks compliance in a humble, friendly, and polite manner (Yukl & Tracey, 1992). Four types of soft tactics that are used in this study are exchange, instrumental dependency, personalized help, and ingratiation.

Self-report power--the self-perceptions of power that are developed through interactions with others (Schopler & Bruce, 1972).

Perceived power by others--the power that one person has as rated by others (Kaplowitz, 1978).

Congruence--the agreement on certain object between an individual with other individuals (Vancouver & Schmitt, 1991).

1.6 Significance of the Study

This study has significant contributions in terms of theoretical development and managerial practice.

Firstly, the study hopes to recognize that different influence tactics used by the superiors correlates with the different bases of power that the agents or targets possessed. Recent empirical work on social power has illustrated the importance of distinguishing different types of power in order to account for the different effects found in studies of social influence. It is believed that if an individual attempts a power move that is according to the power that he or she possesses, he or she will be more influential than the power move that has no base of power. Therefore, an agent's possession of an appropriate power base for use is crucial in determining the appropriate influence tactics to be used by the supervisors against the negative effects of adverse working conditions.

Secondly, there has been little empirical evidence to support the common assumption that power and influence tactics are separate constructs, with a few exceptions (Ansari, 1990; Farrell & Schroder, 1999; Hinkin & Schriesheim, 1990; Somech & Drach-Zahavy, 2002; Venkatesh, Kohli, & Zaltman, 1995). This study hopes to provide additional support for this assumption and suggest that an influence attempt could also be regarded as a separate construct from power.

Thirdly, previous literatures on power have investigated power possessed either by the agents or the targets but have never considered both targets' own forces and those induced by other agents. According to French and Raven (1959), the "influence" of the agents must be clearly distinguished from the agents' "control"

of targets. It is believed that if two-party communications between influencers and influencees are observed in the organization between managers and their subordinates, employee involvement might make far more effective use of human resources. Given this, it is essential for organizations to understand how managers can develop better influence strategies and whether bases of power congruence affect the influence strategies and thus provide an insight into bases of power from different perspectives. Hence, this research looks at the full model by bridging the gap between power and influence tactics and further examines the impact of power congruence on influence tactics.

In addition, through effective influence tactics, one would be able to discover the structures used to organize their social action, permit complementarity in diverse, locally adapted, and rapidly mutable social systems. Hence, an understanding of supervisors' influence tactics is crucial to further enhance effective human resources development.

Finally, it is believed that the findings help managers to improve their strategies with regard to their present roles; help managers to understand their bases of power, and assist companies to understand how Malaysian managers function in the workplace, so that employees can be better motivated to achieve the companies' missions and objectives.

1.7 Scope of the Study

The scope of the present study is limited to the investigation of the effects of perceived agents' or targets' power on the agents' choice of a particular influence strategy. This study uses seven power bases to examine the power of supervisors or subordinates which lead to the usage of specific types of supervisors' influence tactics such as, hard, soft, and rational tactics.

Data were collected from executives and their immediate supervisors that were currently engaged in manufacturing companies in three locations, namely,

Penang, Selangor/Kuala Lumpur, and Sarawak. The manufacturing companies chosen in this study include both local and multinational companies that are dealing with various sectors such as consumer products, industrial products, and construction products.

1.8 Organization of the Chapters

The intent of the present study was to examine and extend the power and leadership studies by focusing on bridging the gap between power, power congruence, and influence. The remaining chapters of this study are organized in the following sequence. Chapter 2 critically reviews past literature on power, power congruence, and influence where the formulation of the theoretical framework and hypotheses are presented. Chapter 3 explains the research methodology, delineating the sampling process, the measurement instrument to be used, and the statistical analysis. Chapter 4 presents the output of the statistical analysis. Finally, Chapter 5 is a discussion of findings, limitations, and implications of this study while providing suggestions for future research.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Extensive research is available in the organizational behavior literature investigating the process of interpersonal influence and social power. But the two constructs--power and influence seem to have been examined almost independently. That is, little research has been done to examine the relationship between bases of power and the use of downward influence tactics in organizations (Ansari, 1990; Hinkin & Schriesheim, 1990). This is particularly true in the Malaysian context.

This chapter is further divided into various sections in order to sequentially discuss the vital literature for each component that creates the foundation of this research. In the first section, the power and influence in the leadership context are discussed. A review of the literature on influence, its antecedents and consequences are presented in the second section. The following section discussed the concept of power and the taxonomy of power, followed by the bases of power and supervisors' and subordinates' power (self-reported and as perceived by one party of the other and vice versa). The subsequent sections present some research on the consequences of power as well as power and social exchange theory, and the congruence of supervisor-subordinate perceptions of power on supervisors' choice of influence tactic. At the end of this chapter, the theoretical framework and hypotheses are presented.

In the following section, the major theories on power and influence are discussed in the leadership context.

2.2 Definition of Power in Leadership Models

Lewin, Lippitt, and White (1939) have pioneered the study of leadership where an experiment study was designed to examine the relative effectiveness of democratic, laissez-faire, and authoritarian leadership styles. Later, trait, behavior, leader-member exchange, charismatic, transactional, transformational, and power-influence approach came into existence. Major researches in leadership can be classified into four approaches, namely, (i) trait approach, (ii) behavior approach, (iii) power influence approach, and (iv) situational approach (Yukl, 2005). In view of the complex nature of leadership effectiveness, researchers in the past have defined leadership based on their researched frame of reference. It is generally agreed that, leadership begins with trait approach, which emphasized on the personal attributes of leaders, followed by behavior approach, which examined leadership in terms of content categories, such as managerial roles, functions, and responsibilities (Yukl, 2005). Other approaches including contingency approach, is known as the combination of trait and behavioral approaches to leadership. This approach deduced that effective leadership is based on the match between a leader's style and situational favorability (Fiedler, 1964). On the other hand, some researchers (e.g., Hersey & Blanchard, 1984) came up with other leadership theory known as situational leadership theory that emphasized on leadership effectiveness as a function of leadership behavior and subordinates maturity. As compared to other theories, situational theory uses more contemporary approach to researching aspects of leadership (Bolman & Deal, 1997). Another contemporary approach, the integrative approach, focuses more on the dynamics between leaders and followers. The two most popular theories that fall under the integrative approaches are transformational and charismatic leadership.

Leadership can be practiced by any organization members regardless of their status in the organizations, and leadership is generally understood as the ability to exert influence over others (Peabody, 1962). Past studies (Ansari, 1990; Farrell &

Schroder, 1999; Rajan & Krishnan, 2002) have conceptualized leadership as a social influence process from an organizationally designated superior to his or her subordinates.

A few researchers (e.g., Yang et al., 1998; Yang & Cervero, 2001) have used the two terms--power and influence--interchangeably. For example, Mechnic (1962) considered power, influence, and control as synonymous. In the same vein, other researchers (e.g., Salancik & Pfeffer, 1977; Tannenbaum, 1968) have defined power and influence as synonyms and used interchangeably, where the important element is control which can be exercised through formal authority.

Nonetheless, most of the researchers agree that power and influence are two distinct terms, where power refers to the potential influence, and influence as the actual use of power. It is reported that manager's effectiveness depends on his or her success in influencing others (Bass, 1990; Kotter, 1985). In other words, leadership is the ability of an individual to influence, motivate, and make others contribute towards the effectiveness and success of their organizations. Yukl and Van Fleet (1982) revealed that supervisory power is important not only for influencing subordinates, but can be used to influence peers, superiors, and also outsiders. In view of the fact that past theorists and researchers on power and influence have developed several taxonomies from theory and empirical research to classify various forms of power, the following sections focus on discussing those important leadership approaches in power and influence context.

2.2.1 Trait Based Approach

The trait approach in leadership is the earliest theories to attempt to discover the characteristics that made the person a great leader. This approach views leadership qualities as gifts bestowed on a fortunate few at birth. Generally, it was found that three factors can be associated with a great leader namely, (a) physical features, (b) ability, and (c) personality features (Den Hartog & Koopman, 2001).

Other researchers also discovered additional traits which contribute to a better leader, namely (i) intelligence, (ii) self-confidence, (iii) determinations or desire to get the job done, (iv) integrity, (v) sociability (Northouse, 1997), (vi) honesty, (vii) inspiration, and (viii) vision (Kouzes & Posner, 1995).

Thus, trait based theories assumed that leaders are born, not made, and that the inherited leadership personality or traits accorded leaders the power to gain unquestioning compliance from their followers or subordinates. However, since power is a function of dependency, it would be logical to assume that followers or subordinates will have some power as leaders depend on them to carry out their instructions to achieve the goal, just as the followers depend on the leader to provide the vision. However, the trait approach did not take into account this relationship and hence could not predict leadership effectiveness in all situations. This limitation and a few other limitations of the trait approach eventually led researchers to develop other theories to try to explain the relationship between power and influence in the leader-follower context.

2.2.2 Leader-Member Exchange (LMX) Theory

According to Howell, Dorfman, and Kerr (1986), most popular leadership paradigms include at least one moderator and the quality of leader-member relations are one of them. LMX theory was first illustrated in the works of Dansereau, Graen, and Haga (1975) 31 years ago and has recently been gaining momentum. Many studies have been conducted to investigate the role that the supervisor plays in his or her relationship with subordinates. Essentially, the supervisor, the subordinate, or both will evaluate the relationship according to the quality of the interaction and these perceptions have a fundamental influence on individual outcomes. As mentioned by Murry, Sivasubramaniam, and Jacques (2001), positive exchanges are typically reciprocated with positive outcomes from the subordinates. Each member of the

dyad has the other's best interest at heart and this is reflected in more supportive behavior.

Early works in LMX had found two types of relationships between the subordinate and supervisor, namely the in-group and the out-group. In-group refers to linkages based on expanded and negotiated role responsibilities, which are not specified in the employment contract and conversely out-group is based on the formal employment contract. Subordinates in the in-group are claimed to have more power as they receive more information, hence, are more influential and confident, and have personal concern from their leaders as compared to the out-group subordinates (Liden, Wayne, & Sparrowe, 2000). In-group members are willing to do extra things and to which their leaders will reciprocate (Graen & Scandura, 1987) but out-group members receive lesser attention and support from their leaders and thus might see their supervisors as treating them unfairly. There are other forms of leadership theories that discuss about power and influence and charismatic leadership is one of them. The following section discusses power in charismatic leadership context.

2.2.3 Charismatic Leadership

Weber (1947) pioneered research on charismatic leadership. He defined charisma as a special personality characteristic that gives a person exceptional power and charisma was thought to be reserved for only those of divine origin and resulted in a person being treated as a leader. Past researchers who are concerned with charismatic leadership felt that personal characteristics or traits play an important role in the emergence of charismatic leadership (Bycio, Hackett, & Allen, 1995; De Hoogh et al., 2005; Howell & Avolio, 1993). Other study concurred that charismatic leaders are expected to infuse followers' work with values by articulating an attractive vision which would subsequently increase the perceived meaningfulness of their work to subordinates (Shamir, House, & Arthur, 1993). This

implies that if charismatic leaders are confident with their subordinates, this would increase the followers' beliefs about their ability to perform.

Study by McClelland and Burnham (1976) noted that power motive and the tendency to use power in a morally responsible way have attracted less attention in charismatic leadership. On a similar note, charismatic leaders seek power and influence in order to achieve high power motivation (House, Spangler, & Woycke, 1991). Some researchers were of the opinion that charismatic and transformational leadership are the same and equivalent (House & Shamir, 1993; Shamir, 1999). However, Bass (1985) viewed it differently where transformational leaders could at the same time be charismatic, whereas a leader can be charismatic without being transformational. Another difference is that, transformational leaders will empower their followers, whereas charismatic leaders will not do the same.

2.2.4 Transformational Leadership

Burns (1978) discussed leadership as transforming in which the leaders and the followers are often transformed or changed in performance and outlook. Further, the leader-follower interaction is known as the transformational influence process and it is also referred as transformational leadership (Bass & Avolio, 1993).

Past studies have constantly reported that transformational leadership is more effective, productive, innovative, and satisfying to followers as both parties work towards the good of organization propelled by shared visions and values as well as mutual trust and respect (Avolio & Bass, 1991; Fairholm, 1991; Lowe, Kroeck, & Sivasubrahmaniam, 1996; Stevens, D'Intino, & Victor, 1995). This implies that transformational leaders believed in sharing of formalized power and more often practice the use of personal power. In the same vein, another study has drawn a distinction between authentic transformational leadership and pseudo-transformational leadership (Bass, 1985). It was found that pseudo-transformational leaders would seek power and position even at the expense of their followers'

achievements, thus their behaviors are inconsistent and unreliable (Bass & Steidlmeier, 1999). The next section presents power and influence in terms of transactional leadership.

2.2.5 Transactional Leadership

Another type of leadership which has been widely used to describe power and influence is transactional leadership. Burns (1978) who pioneered the study of transactional leadership indicated that transactional leaders are those who sought to motivate followers by appealing to their self-interests. Transactional leadership involves contingent reinforcement where followers are motivated by their leaders' promises, rewards, and praises. At the same time, the leaders react to whether the followers carry out what the leaders and followers have "transacted" to do (Bass & Steidlmeier, 1999). This implies that subordinates who work under transactional leaders would have a greater power and the ability to affect the strength of a leader's influence, style of behavior, and the performance of the group (Hollander, 1993).

2.2.6 Power and Influence Approach to Leadership

Kipnis (1976) contended that people who have a strong need for power and the ability to gain control of resources are likely to experience a desire to influence others. As a result, those being influenced will be gradually devalued, with the powerful individuals preferring to maintain social and psychological distance. The power and influence approach attempts to define leadership effectiveness in terms of the power as possessed by leaders, the types of power, and how power is exercised (Yukl, 2005). Similarly, leaders should employ different strategies in order to gain power through formal authority, reputation, and performance. It was found that power can be obtained through formal authority or informal coalitions with political influence (Pfeffer, 1992). Hence, this approach incorporates issues of change in the organizations and also accumulation and loss of power.

2.3 Social Influence

Keys and Bell (1982) revealed that, the appropriate use of influence is an essential leadership function that differentiates successful managers from non-successful managers (McFarland et al., 2002). Seifert, Yukl, and McDonald (2003) also endorsed the importance of influence tactics where the effectiveness of managers depends on their capability to influence others in the same organization. Yukl (2005) goes a step further by advocating use of proactive influence tactics. Besides, the use of influence tactics is critical for executives faced with important decision in top management teams where the influence process could either exacerbate or mitigate common decision making and implementation difficulties on executives' teams (Enns & McFarlin, 2003). Further, numerous empirical studies in organizational behavior concurred that interpersonal influence in organizations is one of the most important determinants of managerial effectiveness (Bass, 1990; Fu et al., 2001; Lester, Ready, Hostager, & Bergmann, 2003; Pfeffer, 1992; Yukl & Tracey, 1992).

The four faces model as proposed by Keys and Bell (1982) suggested that, managerial influence behavior can be understood in four directions where supervisors could exert influence on subordinate (downward), superiors (upward), peers (lateral), and individuals outside the organization (outward). Ragins and Sundstrom (1989) further elaborated, explaining that traditionally, in a supervisor-subordinate dyad, power is seen as flowing downward when superiors exerts their influence tactics on subordinates; subordinates on the other hand use upward influence tactics on their superiors; and lateral or horizontal power involves influence over peers. Moreover, some researchers indicated that the outcome from the use of influence tactics depends on several variables such as the objective of the influence attempt, the relative power of the agents and targets, the agents and targets relationship, and finally the agents' skill in exercising power (Yukl et al., 1993).

To date three published researches which investigated the convergent validity of agent and target reports on intraorganizational influence attempts have been detected. The first study is by Yukl and Falbe (1990) which looked at the rank order of influence scale means from the agent and target perspective. The research has some flaws as the agents and targets were not directly related to each other. Besides the data were not drawn from real influence dyads but rank orders were taken from different samples. On the other hand, the second study done by Rao, Schmidt, and Murray (1995) examined the relationship between self-ratings of upward influence tactics as perceived by subordinates and managerial perceptions of their influence tactics. However, this study has serious limitations in that its sample was small (*n* = 67 dyads) and the agents and targets use of different scales of measurements instead of parallel scales of measurements could have lowered the convergent validity between the agent and target. The last study, which is by Blickle (1998), studies the influence attempts between agents and targets. However, the results indicated low correlations which showed that the high agent-target convergence was artificial. Thus, the conclusions that can be drawn from these three studies on the convergent validity between the agent and target were the match agent-target dyads, identical and parallel scales, and big sample size.

Previous studies have examined the directional differences in influence behavior (Ansari, 1990; Bennebroek & Boonstra, 1998; Bhal & Ansari, 2000; Ching, 2004; Kipnis et al., 1980; Yukl & Falbe, 1990; Yukl et al., 1993; Yukl & Tracey, 1992). Their findings have shown that the use of influence tactics is connected to the hierarchical relationship between the agent and target. The results of Burke (1986) and House, Filley, and Gujarati (1971) indicated that, downward power depended on the individual's upward power and lateral power where it could be seen as combining to influence an individual's total personal power. This implies that managers would adopt different influence tactics depending on whether they want to influence a subordinate, a colleague, or a supervisor. Kipnis and Schmidt (1985) introduced the