# "Organizational influence systems as a function for strategy building: An applied study in Jordanian economic sectors"

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# ORGANIZATIONAL INFLUENCE SYSTEMS AS A FUNCTION FOR STRATEGY BUILDING: AN APPLIED STUDY IN JORDANIAN ECONOMIC SECTORS

## Abstract

The study aims to identify the reasons driving internal and external entrepreneurs to use their power to produce the intended effects in organizations, and how this power affects the methods of building strategies they seek to use, based on Mintzberg's theoretical assumptions. The research was conducted in 90 large Jordanian companies operating in finance, industry and service sectors. Data were collected from 204 managers using a questionnaire with a high degree of validity and reliability. Analysis and interpretation of the results proved that much of the organizational power held by the head of a company and top management was due to the dominance of the personal, bureaucratic, centralized and formal control systems. As a result, the classical tendency to build strategy in the planning and integrative forms was firmly established, and the participatory and democratic methods in their bargaining and adaptive forms retreated. Based on the results, the researched companies were recommended to design balanced power structures to shift the methods of strategy building from the classical tendency represented by the control of top management and external coalition to the modern tendency represented by integrating workers in democratic ways.

| Keywords | organizational power, external and internal coalition, strategy building, leadership patterns |
|---|---|
| JEL Classification | J53, M54, L21, O34 |

## INTRODUCTION

Power or influence is the best and worst of human nature, as it evokes deep and powerful feelings in those who enjoy it and who are under its control. One of the most controversial and fundamental issues is the appropriate use of power, as power can be firmly used for achieving personal gains or public interests; for enhancing or destroying potential (Dahl, 1957). Understanding power requires an understanding of the relationships and influences around the organization, and determining the structure of power and its parties inside the organization is important to pre-determine what will happen to the organization. The influence systems are studied as per different directions; there is the organization theory (classical school of administration / formal organization), the sociology of organizations (social perspective) and individuals' behavior (behavioral school / psychology) (Cote, 1999). The study adopts the concept of power as the ability and willingness to influence the results of an organization, or to impose desired intentions against potential resistance.

The study considers the results of power use, not its sources or processes; and this is by focusing on the structure of power and its flow within and around the organization, in addition to the relationship of

that power in determining strategic paths of action by focusing on understanding the basic elements of power, especially internal and external entrepreneurs, and the strategies they use to impose their goals and their reflection in the goals of the organization, and then from there. The study integrates these elements together to enhance the understanding of the dynamics of organizational behavior.

The scientific principles for creating organizational strategies are categorized into two theories: Perspective Theory, which considers strategies as "objective" phenomena coming from rational analytical processes, and Functional Theory, which considers strategies as "subjective" phenomena resulting from political processes (Miguel, 2020).

# 1. LITERATURE REVIEW

Classical economic theory was founded on the assumption that a single entrepreneur designs key strategies to maximize an organization's profit goal. Owing to skepticism about the ethics of maximization and possibility of achieving it and neglecting other goals, Popandreou (1952) asserts that there are entrepreneurs who practice power through the company head to achieve many goals. In 1964, Simon presented the theory of organizations working in accordance with constraints as an alternative to goals. Bernard (1938) preceded him with the idea that workers are influential based on their bargaining power. Cyert and March (1963) combined these ideas in a theory of many goals for multiple entrepreneurs competing with each other to control the organization through bargaining and coalition creation. Finally, Georgiou (1973) and others came to cancel the multi-goal assumption by stating that the organization has no goals, but rather a political arena in which entrepreneurs play the game of power.

## 1.1. Power outside organizations (external coalition)

An external coalition includes those who are more around the organization than within it. The external coalition consists of Employee Associates, Associates, Owners, and various public (Porter, 1990). Concentration and dependency provide strong potential for external entrepreneurs to influence the organization. This requires finding a way to affect decisions and activities of internal entrepreneurs, using social norms, specific constraints, pressure campaigns, direct control, or membership in a formal coalition (Board of Directors) (Lingo & McGinn, 2020). Therefore, external entrepreneurs have a wide range of power as

compared to internal entrepreneurs. The strongest of these are in a dominated external coalition, where an individual or group has most of the power, and this concentration facilitates control over the internal entrepreneurs via the board of directors or other direct controls (Garvin & Levesque, 2006). Here an outside entrepreneur would have control through his/her control over important individuals in the organization who depend on him/her (Twalh & et al., 2016). In the case of a divided external coalition, power is distributed among a small number of individuals or main groups seeking to impose different goals using pressure campaigns and others (Selart, 2010). When the number of individuals or groups competing for power increases, power diminishes, the passive external coalition emerges, and the board of directors becomes a tool in the hand of the organization's management or a front to meet legal requirements (Nicholson & Newton, 2010).

## 1.2. Power inside organizations (internal coalition)

An internal coalition consists of individuals dedicated to the work in an organization, including top management and functional managers who supervise the operators who do the basic work in the organization, and on both sides of the line, there are the analysts who design the systems by which the organization itself sustains and adapts to the environment, and supporters who provide indirect support to the remaining parts of the organization (Jabbar & Hussein, 2017). Power is distributed among these groups in accordance with different control systems: Operators having technical power hinder official goals in favor of their personal goals in the implementation stage (Zhonghua & Chen, 2014). The relationship between consulting analysts having the informal power repre-

sented by expertise with executives having formal authority is strained. Alliances push their candidates to advance their careers in the organization. Individuals use their formal and informal power to build empires in the internal coalition (Jofre, 2011). It was at this stage that the control system and political system were developed as independent forces that were completely opposed to the internal coalition (Forouharfar, 2020). The authority system seeks to withdraw power to the middle management and from there to the top of an organization with some power to the technical structure (Nyarko et al., 2016). In return, the ideological system tries to distribute and spread power to those adhering to this system's standards (Alsayah, 2005). The expertise system distributes power unevenly over the internal coalition, thus leading to a disintegrating power. The political system includes disintegrating and narrow trends, since it serves individual needs at the expense of the organization and fuels tension between interest groups (Elkhalil, 2017). In fact, internal influence systems arise and support one another, and a system can control the internal coalition, driving some other systems out of the arena and pushing the remaining systems to positions of secondary importance (Taylor, 2017).

The relationship between the systems of influence and patterns of strategy formulation is determined as follows.

*Instrument* – It is a classic form of power in which an external entrepreneur (owner) or a number of entrepreneurs dominate the internal coalition. The external coalition adopts clear and practical goals, in addition to using special restrictions or direct control, or making the internal coalition a tool in its own hands. Likewise, the power in the internal coalition is concentrated around the director of a company, who is the main supporter for the external entrepreneur and his/her channel of communication (Loren & Matthew, 2008). As a result, the bureaucratic control system emerges as a tool in the hands of the dominant entrepreneur to achieve their goals. Thus, the practical goals associated with bureaucratic control are the best way to control the internal coalition (Sami et al., 2011), and, hence, the dominant external coalition is only associated with the internal bureaucratic coalition. An organization can formulate integrated

systematic strategies to achieve its goals because these goals are clear and practical.

*Closed system* – This form of power exists in cases where the previous form of power exists, except that the external coalition is passive, where the external entrepreneurs are disorganized and widespread, so power moves to the internal coalition (top management). If the organization's conditions are stable, its head depends on the bureaucratic control system for influence. Therefore, a passive external coalition is associated with a bureaucratic internal coalition, and the organization often relies on a planning method in formulating its strategies (Kolzow, 2014).

*Autocracy* – This form of power exists with the passive external coalition and the organic internal structure. The director of a company has a centralized power that he/she uses to dominate the internal coalition through personal control systems, mobilize supporters and neutralize and overcome potential resisters. Here, the passive external coalition is associated with the internal autocratic bureaucratic coalition. The director general strives for his/her goals, regardless of his/her personality. Likewise, strategy formulation is done in the entrepreneur or classic style, according to what the head of the company sees, and in broad and bold steps (Alapo, 2018).

*Missionary system* – Here, ideology dominates an organization, and the inspiring leader appears to control the decisions and activities of the organization, so the political activities in the internal coalition decline due to the fact that employees agree on a basic goal related to the organization's mission (product – market), and the internal ideological coalition is often associated with the passive external coalition. The strategy is formulated according to the organizer's style, depending on the vision of a founder who has a view of where the organization should reach, then the organizational strategy tends to stagnation after the departure of the founder and efforts shift to explain that leader's vision (James & Green, 2005).

*Meritocracy* – Under this form of power, operators demand a great deal of control over the decisions affecting their work; here the internal coalition takes a form based on merit. As a result, personal and

bureaucratic control systems get weaker and goals are formulated in general terms such as knowledge development (Maravelias, 2003). As it is difficult to achieve such goals, they are replaced by goals of professionals related to the level of mastery of their profession; and since there are different professionals who seek to accomplish different goals, one can see that the professional form of power seeks to achieve goals in a sequential, non-continuous fashion. Here, the political system appears in the internal coalition, and the divided external coalition is associated with an internal coalition based on merit. Strategies are formulated in a complex manner as operating professionals' resort to smart bargaining, trade-offs, and bargaining over their strategies. To succeed in doing so, they need effective relationships that provide information and resources, and supportive relationships based on personal trust that provide social and emotional support (Omisore & Nweke, 2014; Perrewé et al., 2012).

*Political arena* – The highest levels of politics prevail in internal and external coalitions, and the conflicting external needs of the organization create friction with the internal coalition. Here, top management is unable to set goals satisfying all external entrepreneurs, which drives it to choose general goals as much as possible (Somoye, 2016). In this form of power, the organization does not seek any goals for any party, as it has become a field in which various types of political tactics are practiced. Strategies consist of decisions that are made as part of a tactical process, in an unclear or explicit way (Elbanna, 2016).

## 2. THE PROBLEM, AIMS, AND HYPOTHESIS

### 2.1. The problem

To define the research problem, a pilot study was conducted using a questionnaire distributed to 58 individuals working in the researched companies. It turned out that there is a large gap between the opinions of employees and managers regarding the strategies being made. When asked about the reasons for these differences, they indicated limitations related to the power structure and the consequences of using that power.

**Table 1.** Pilot study results

| Research variables | Arithmetic mean | | Gap |
|---|---|---|---|
| | **Employees** | **Top management** | |
| Fit of power structure distribution and results of its use | 1.71 | 4.68 | 79.2 |
| Fit of strategy building methods | 2.13 | 95.4 | 2.46 |
| Total gap | 1.92 | 4.64 | 517.2 |

Therefore, the research was organized to answer three questions representing the research problem: (1) Who governs organizations? How? Attention was focused on examining the prevailing power structure and identifying its forms. Kumer (1996) believes that the primary answer is that the owners are those who govern the organization by controlling its managers or directing it directly in pursuit of economic goals; while Kaplan and Norton (2007) argue that, with the growing size of organizations, economic activities have got social consequences, and organizations have become under the covert control of their managers. Fossen (1995) argues about the legality or illegality of this control. Zook and Allen (2001) called for subjecting organizations to direct external control due to their great influences in various aspects of life. (2) What are the adopted methods of building strategies? Mintzberg (1973) suggested three methods of building strategies (control, adaptive, and planning) that were used by Segev (1987). Burgelman (1983) indicated that the Prospector from Miles & Snow strategies is the most appropriate for the control method in strategy building, as it aims to achieve pioneering in products and markets. Reactors are most suitable for adaptive method, where focus is on problems rather than opportunities. Snow and Herbiniak (1980) demonstrated that Defenders and Analyzers (strategies) are also compatible with the adaptive method in order to maintain current products and adapt to competitors' strategies. Finally, the defender strategy is compatible with the planning method in building the strategy where high focus is on efficiency. By bringing the two previous questions together, the research problem becomes clear in Question (3): Why do entrepreneurs use their power to produce intended effects? (Forecade et al., 2006, pp. 5-12); the attention is on the motives of de-

cisions, who makes those decisions, and how individuals use power to influence different activities of the company having different options to ensure the imposition or acceptance of the options they prefer. The contradictory answers to these questions and the limited applied research base in Jordan led to drawing up this research.

## 3. AIMS

The study aims to test the variables in a sample of Jordanian companies as follows:

- Determining the influence systems prevailing in the research sample companies.

- Determining the method used by the researched companies in formulating their strategies.

- Examining and testing the relationships and influences between organizational influence systems and strategy building patterns.

- Discussing the practical applications of the research findings.

### 3.1. Hypothesis

H1: *It is expected that changes in organizational influence systems and their variables (Instrument, Closed System, Autocracy, Missionary System, Meritocracy, and Political Arena) will lead to changes in strategy-building patterns and their variables (integrative, planning, classic, structured, negotiating, and adaptive).*

## 4. METHODOLOGY

### 4.1. Measures: their validity and reliability

The applied research was conducted depending on a questionnaire designed. It consisted of two parts: organizational influence systems, and strategy-building methods, based on Mintzberg's theoretical assumptions (1979, 1983) (Coleman & Voronov, 2008; Lunenburg, 2012). The following

tests were carried out: (1) Apparent validity of the questionnaire, to ensure that it measures what it was designed to measure, by submitting it to 12 arbitrators and it received 95% agreement after taking into account their remarks, and (2) Content validity, to ensure the clarity of the items of the questionnaire, by calculating:

$$\text{Content validity} = \sqrt{\text{Reliability}} =$$
$$= \sqrt{0.891} = 0.944.$$

**Table 2.** Questionnaire validity and reliability

| Variables | No. of items | Reliability | Validity |
|---|---|---|---|
| Organizational Influence Systems | 12 | 0.873 | 0.934 |
| Strategy Building Methods | 18 | 0.883 | 0.939 |
| Total | 30 | 0.891 | 0.944 |

The questionnaire reliability tests were conducted in two ways: (1) half division, where the Gittman reliability coefficient was used on all the questionnaires, by dividing the items of the questionnaire into two halves (see Table 3); and (2) internal variation, to ensure the internal data consistency by calculating Cronbach's Alpha, which amounted to the total of the variables (0.891).

**Table 3.** Constancy of research variables

| Variables | No. of items | Variation | Reliability coefficient |
|---|---|---|---|
| Organizational Influence Systems | 1-6 | 26.075 | 0.686 |
| | 7-12 | 39.993 | |
| Strategy Building Methods | 13-21 | 17.382 | 0.857 |
| | 22-30 | 11.497 | |

### 4.2. Research community and sample

The research community includes large companies on the Amman Stock Exchange (ASE), whose size justifies their need for strategic management. The research sample included 95 companies out of a total of 102 companies. The inspection unit consisted of the top management personnel, as they are responsible for determining the strategies of these companies. The sample was distributed in proportion to the size of the studied economic sectors. 237 questionnaires were distributed, of which 213 were received; 9 questionnaires were excluded after being audited, so the response rate was 86%.

**Table 4.** Distribution of the sample by economic sectors

| Economic sector | No. of companies | % | Sample size |
|---|---|---|---|
| Financial | 52 | 57.8 | 811 |
| Services | 16 | 17.8 | 63 |
| Industrial | 22 | 24.4 | 05 |
| Total | 90 | 100 | 402 |

## 4.3. Research limits

The study is limited to exploring large companies listed on the Amman Stock Exchange with assets exceeding 10 million dinars, as their size justifies their need for strategic management.

# 5. RESULTS

## 5.1. Research hypothesis test

Table 5 shows the quality of the Stepwise Multiple Regression model in terms of the calculated value of $F$ (86.64), which was significant at the level of 0.01. The different power systems explain 83.5% of the methods used in building organizational strategies. The variables of the power systems (instru-

ment, closed, autocratic, missionary, meritocracy, and political arena) also showed significant effects in the patterns of building strategy in terms of $T$-calculated values, which were 3.621, 4.109, 4.143, 3.006, 3.054, and 2.034, respectively.

$$\text{Strategy Building Methods} =$$
$$= \left(0.265 \cdot \text{Instrument Power}\right) +$$
$$+ \left(0.354 \cdot \text{Closed Power System}\right) +$$
$$+ \left(0.309 \cdot \text{Autocratic Leader}\right) +$$
$$+ \left(0.590 \cdot \text{Meritocracy Power}\right) +$$
$$+ \left(0.358 \cdot \text{Missionary Power}\right) +$$
$$+ \left(0.160 \cdot \text{Political arena Power}\right).$$

## 5.2. Level of research variables in terms of the sample

**Organizational influence systems**: These systems consisted of 6 types. The total arithmetic mean is 3.53, with standard deviation of 1.187. Depending on the Likert scale, the arithmetic mean value of power systems combined is greater than the constant mean by 0.53, indicating the relative power of these systems. The influence sub-systems

**Table 5.** Effect of organizational power systems on strategy determination methods

| Influence systems | Bata value | T-test | | F-test | | Coefficient $R^2$ |
|---|---|---|---|---|---|---|
| | | T calculated | Significant | F calculated | Significant | |
| Static part | 0.238 | 0.066 | 0.959 | 86.64** | 0.01 | 0.835 |
| Instrument power | 0.265 | 3.621** | 0.04 | – | – | – |
| Closed power | 0.354 | 4.109** | 0.003 | – | – | – |
| Autocracy | 0.309 | 4.143** | 0.009 | – | – | – |
| Missionary | 0.356 | 3.06** | 0.03 | – | – | – |
| Meritocracy | 0.525 | 3.054** | 0.04 | – | – | – |
| Political arena | 0.160 | 2.034* | 0.05 | – | – | – |

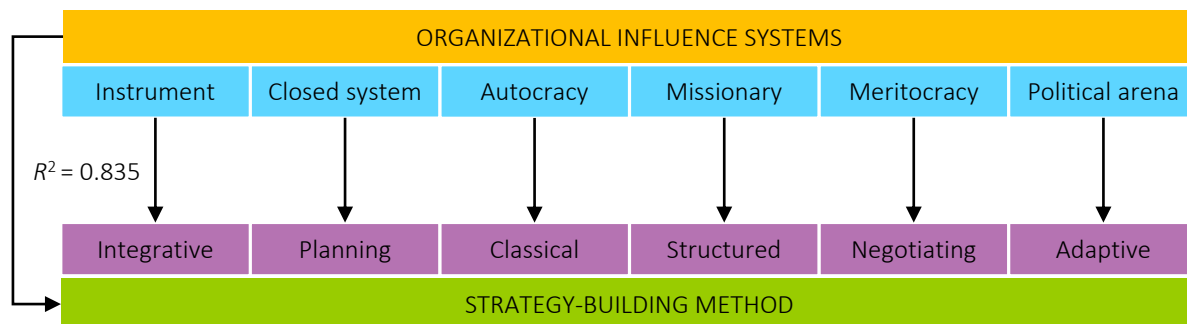*Note:* * Statistical function at 0.05. ** Statistical function at 0.01.



**Figure 1.** Influence of organizational power systems on strategy building patterns

showed different arithmetic means, the highest was 4.10 at the closed power system and the lowest was 2.65 in the political arena system with a standard deviation of 0.962 and 1.061, respectively, and the percentages of agreement on the influence sub-systems ranged between 71.57% and 26.96.%, against some disagreement about the same systems, and ranging between 45.10%–18.63% of the sample. The percentages of the agreement in the sample indicate its great interest in organizational power structures.

**Strategy building methods:** The methods for building strategies were identified using 6 patterns; it was found that the percentages of respondents' agreement about those patterns ranged between 71.57% in the planning pattern and 23.04% in the adaptive pattern, against some percentages of disagreement about the same patterns ranging between 57.80% and 19.12%. The total arithmetic mean patterns reached 3.39, with a standard deviation of 0.978, which is a moderate value. The arithmetic mean for all patterns of strategy design was higher than the constant mean, except for adaptive and structured, where the arithmetic mean reached 2.38 and 2.90, respectively; the percentages of agreement demonstrate a great interest of the sample in methods of developing organizational strategies.

# 6. DISCUSSION

Table 7 shows the forms of influence systems used in the studied companies and the methods used in building target strategies. It has been found that:

- 15 companies (16.7%) use instrument systems, 19 companies (21.1%) adopt closed systems, 33 companies (36.7%) depend on autocracy, 6 companies (6.7%) are inclined towards the missionary system, 12 companies (13.3%) focus on meritocracy, and 5 companies (5.5%) have the political arena system.

- 27 companies (30%) use the integrative method in building their strategies, 22 companies (24.4%) adopt the planning method, 11 companies (12.2%) focus on the classic method, 6 companies (6.7%) adopt the structured method, 16 companies (17.7%) are inclined towards the negotiation method, and finally, 8 companies (9%) use the adaptive method in designing their strategies.

Companies dominated by the influence of an autocratic leader and a closed power system, as a rule, actively use integrative and planning methods in building their strategies. Because of the weakness of an external coalition, a company manager dom-

**Table 6.** Level of research variables in terms of the sample

| Research variables | Totally agree | | Agree | | Neutral | | Disagree | | Totally disagree | | Arithmetic mean | Standard deviation | Total of Agree | Total of Disagree | Variation coefficient |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | # | % | # | % | # | % | # | % | # | % | | | | | |
| Instrument power | 21 | 10.29 | 116 | 56.86 | 29 | 14.22 | 34 | 16.67 | 4 | 1.96 | 3.57 | 0.928 | 67.16 | 18.63 | 00.62 |
| Closed power | 123 | 60.29 | 23 | 11.27 | 20 | 9.80 | 31 | 15.20 | 7 | 3.43 | 4.10 | 0.962 | 71.57 | 18.63 | 74.33 |
| Autocracy | 129 | 63.24 | 12 | 5.88 | 23 | 11.27 | 38 | 18.63 | 2 | 0.98 | 4.12 | 0.973 | 69.12 | 19.61 | 36.32 |
| Missionary | 11 | 5.39 | 58 | 28.43 | 59 | 28.92 | 59 | 28.92 | 17 | 8.33 | 2.94 | 1.293 | 33.82 | 37.35 | 28.33 |
| Meritocracy | 15 | 7.35 | 87 | 42.65 | 57 | 27.94 | 35 | 17.16 | 10 | 4.90 | 3.30 | 1.01 | 50 | 22.06 | 75.03 |
| Political arena | 7 | 3.43 | 48 | 23.53 | 57 | 27.94 | 51 | 25 | 41 | 20.10 | 2.65 | 1.061 | 26.96 | 45.10 | 10.04 |
| Total power systems | | | | | | | | | | | 3.53 | 1.187 | 71.08 | 18.63 | 96.12 |
| Integrative | 127 | 62.25 | 18 | 8.82 | 21 | 10.29 | 30 | 14.71 | 8 | 3.92 | 4.11 | 0.891 | 71.57 | 19.12 | 66.22 |
| Planning | 119 | 58.33 | 27 | 13.24 | 19 | 9.31 | 32 | 15.69 | 7 | 3.43 | 4.07 | 0.923 | 53.43 | 21.57 | 88.72 |
| Classical | 15 | 7.35 | 94 | 46.08 | 51 | 25 | 37 | 18.14 | 7 | 3.43 | 3.36 | 0.936 | 28.43 | 32.35 | 22.43 |
| Structured | 7 | 3.43 | 51 | 25 | 80 | 39.22 | 47 | 23.04 | 19 | 9.31 | 2.90 | 1.033 | 67.16 | 20.10 | 93.92 |
| Negotiating | 16 | 7.84 | 121 | 59.31 | 26 | 12.75 | 34 | 16.67 | 7 | 3.43 | 3.51 | 0.993 | 23.04 | 57.84 | 8.04 |
| Adaptive | 5 | 2.45 | 42 | 20.59 | 43 | 19.12 | 57 | 27.94 | 61 | 29.90 | 2.38 | 271.1 | | | |
| Total of strategy building | | | | | | | | | | | 3.39 | 879.0 | | | |
| Arithmetic mean scale | Less than 3 (Weak) | | 3-3.49 (Limited) | | 3.99-3.5 (Relatively strong) | | | | 4.49-4 (Strong) | | | 5-4.5 (Very strong) | | | |

**Table 7.** Influence systems and strategy building methods in the sample

| No. of companies using each of influence systems | Organizational influence systems | Researched sectors | Strategy building method | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Integrative | | Planning | | Classical | | Structured | | Negotiation | | Adaptive | |
| | | | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % |
| Financial | Instrument | 8 | 3 | 37.5 | 2 | 25 | 1 | 12.5 | 1 | 12.5 | – | – | 1 | 12.5 |
| | Closed system | 10 | 4 | 40 | 3 | 30 | 2 | 20 | – | – | – | – | 1 | 10 |
| | Autocracy | 20 | 9 | 45 | 6 | 30 | 3 | 15 | – | – | – | – | 2 | 10 |
| | Missionary | 4 | – | – | – | – | – | – | – | – | 3 | 75 | 1 | 25 |
| | Meritocracy | 7 | – | – | 2 | 28.6 | – | – | – | – | 4 | 75.1 | 1 | 14.3 |
| | Political Arena | 3 | – | – | – | – | – | – | – | – | 3 | 100 | – | |
| Services | Instrument | 3 | 2 | 75 | 1 | 25 | – | – | – | – | – | – | – | – |
| | Closed system | 4 | 1 | 25 | 2 | 50 | 1 | 25 | – | – | – | – | – | – |
| | Autocracy | 6 | 2 | 33.3 | 2 | 33.3 | 1 | 16.7 | 1 | 16.7 | – | – | – | – |
| | Missionary | - | – | – | – | – | – | – | – | – | – | – | – | – |
| | Meritocracy | 2 | – | – | – | – | – | – | 1 | 50 | 1 | 50 | – | – |
| | Political Arena | 1 | – | – | – | – | – | – | – | – | 1 | 100 | – | – |
| Industrial | Instrument | 4 | – | – | 1 | 25 | 1 | 25 | 1 | 25 | – | – | 1 | 25 |
| | Closed system | 5 | 2 | 40 | 1 | 20 | 1 | 20 | 1 | 20 | – | – | – | – |
| | Autocracy | 7 | 4 | 57.1 | 1 | 14.3 | 1 | 14.3 | 1 | 14.3 | – | – | – | – |
| | Missionary | 2 | – | – | – | – | – | – | – | – | 1 | 50 | 1 | 50 |
| | Meritocracy | 3 | – | – | 1 | 25 | – | – | – | – | 2 | 75 | – | – |
| | Political Arena | 1 | – | – | – | – | – | – | – | – | 1 | 100 | – | – |

inates and imposes his personal control systems, and the top management imposes bureaucratic control systems, since specific strategies are imposed to achieve goals desired by the head of the company and top management, even if they are of a personal and utilitarian nature. While meritocracy tends to adopt the negotiating method, due to the existence of a divided external coalition and the weakness of personal and bureaucratic control systems, the professionals of this system can impose specific types of strategies to achieve their goals such as doubling their wages and raising the level of mastery of their profession. Finally, when the instrument power prevails, the integrative method is adopted due to the control of the external coalition, which strongly imposes specific strategies to achieve clear and practical goals over the internal coalition, which becomes its tool.

The results have demonstrated that there is a partial agreement between the results of the study and the theoretical assumptions developed by Mintzberg, as well as a great harmony with the results reached by Burgelman (1983). It is clear that there are differences in the intensity of organizational power among the researched economic sectors, as well as the existence of differences in the methods for designing strategies. Much of the organizational power is formal and dominated by top management due to the personal effect, bureaucratic, centralized and official control systems, and the power is sometimes shared with the board of directors. As a result, the traditional tendency has been entrenched in building the strategy in both its planning and integrative forms, while the participatory and democratic methods in their negotiating and adaptive forms have declined.

# CONCLUSION

The results demonstrated that the process of forming organizational strategies should be preceded by an understanding of how power and its practices lead to the creation of specific strategies. The variation in strategy building methods depends on the form of power characterizing the organization. Although external coalitions have different influences on internal processes, and the power structure is a mixture of internal and external coalitions, the relationship between them was unstable and dynamic. It turned out that power is relational in nature, is built through interaction with

others, and arises from situational, dynamic, and variable factors. Individual power results from dependence or dependency that arises from the provision of various resources, control over decision-making assumptions, control alternatives making information, and collective consensus on opinion, political skills and personal characteristics. Power is widely distributed according to the formal power structure, and they are the two main means of influence in the studied organizations at the individual and organizational level.

It became clear that the studied organizations operate according to a power structure based on several influence systems, namely, authority (high influence), which is a legally validated power; ideology (weak influence), which is based on widely accepted beliefs; experience (limited influence), which is based on officially accepted power; and political system (little influence) that reflects an illegal power in terms of the means and goals it promotes. There is evidence on using legal power unlawfully and arbitrarily toward those who do not possess or are unable to resist power. As a result, the traditional tendency has been entrenched in building strategies in their planning (strong) and integrative (strong) forms, and participatory and democratic methods have declined in their negotiation (relatively strong) and adaptive (weak) forms.

Depending on the results of this study, the companies under study should develop balanced power structures in which they give some power to systems of expertise, political system, and ideology. Thus, strategy building methods shift from the traditional tendency (control of top management and the external coalition) in its planning and structured forms to the modern tendency (integrating workers in democratic ways) in its negotiating and adaptive forms, since the conflict and negotiation associated with political behavior can help an organization redirect its course. There is an urgent need to reduce high levels of centralization and formalism, since the decentralized power and uncertainty encountered by organizations that produce political behavior for individual preferential outcomes can be invested and aligned with collective and organizational goals.

## AUTHOR CONTRIBUTIONS

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