

Haunschild, Axel; Nienhüser, Werner; Weiskopf, Richard

Article

Editorial: power in organizations:power of organizations

Management Revue

Provided in Cooperation with:

Rainer Hampp Verlag

Suggested Citation: Haunschild, Axel; Nienhüser, Werner; Weiskopf, Richard (2009) : Editorial: power in organizations:power of organizations, Management Revue, ISSN 1861-9916, Rainer Hampp Verlag, Mering, Vol. 20, Iss. 4, pp. 320-325

This Version is available at:

<https://hdl.handle.net/10419/79025>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Axel Haunschild, Werner Nienhueser, Richard Weiskopf*

Editorial

Power in Organizations – Power of Organizations

Power is widely recognized as one of the central concepts – if not *the* central concept (Clegg/Haugaard 2009) – of social analysis in general and organizational analysis in particular. It has a long history and has been widely used over centuries in various contexts. However, the use of power as a theoretical construct or conceptual tool varies significantly regarding the level of analysis, the research aims (descriptive, explanatory, critical or normative) as well as the implicit or explicit social theoretical assumptions (on actors, societal structures and the relationships between them). Analyses comparing and discussing these assumptions and the usefulness of power theories and concepts can be found in the social theory literature but are also of continuing interest in organization studies. This special issue seeks to contribute to this ongoing debate by bringing together contributions from a wide range of perspectives, theories and methodological approaches that either apply empirically and critically evaluate selected concepts or theories of power to problems of organizing and organizations or critically reflect upon theories of power in organization studies.

Concepts of Power

At first glance concepts of power have been widely used in organization and management studies in the past decades. Approaches in organization studies that explicitly refer to power as a relevant concept of analysis comprise, for example, contingency theory, resource dependence theory, strategic analysis and micropolitics, new institutionalism, labour process theory, post-structuralist critical management theories, post-colonialism, gender studies, organizational discourse, and corporate governance studies. But a closer look shows that this is not only a comparatively small stream within organization and management studies but moreover in the broader field of social sciences and economics. The study of power is part of a social field (Bourdieu 1984), that means a field of power. The interests of the actors involved (scientists, but also managers and politicians), their resources, their practices and, last but not least, their theoretical concepts and methods produce and reproduce this social field. In this con-

* Prof. Dr. Axel Haunschild, University of Trier, Fachbereich IV – Management, Chair of Work, Employment and Organisation, 54286 Trier, Germany.

E-mail: mailto:haunschild@uni-trier.de.

Prof. Dr. Werner Nienhueser, University of Duisburg-Essen, Faculty of Economics and Business Administration, Chair of Work, Human Resource Management and Organisation, Universitaetsstr. 11, 45117 Essen, Germany. E-mail: werner.nienhueser@uni-due.de.

a.o. Univ.- Prof. Dr. Richard Weiskopf, Department of Organization and Learning, University of Innsbruck, Universitaetsstr. 15, 6020 Innsbruck, Austria.

E-mail: Richard.Weiskopf@uibk.ac.at.

tested terrain several academic disciplines compete and struggle for distinction and capital. This implies that also the concept of power itself is a contested one – and will remain so.

How has the construct of power been conceptualized, how has it been used or ignored? Especially in economics power is a negative buzzword. It is seen as a superfluous construct. Proponents of transaction cost theory, particularly Oliver E. Williamson (for instance 1995), have been arguing for a number of years against the claim that power or differences in power must be included systematically as explanatory factors. According to transaction cost theory institutional arrangements like the employment relationship and its different forms can be explained solely by the efficiency mechanism and cost minimizing calculations of decision makers. In other streams of the social and management sciences power is taken into consideration as an explanatory and/or explaining variable, but in a narrow and narrowing version. For instance, in the study of organizational behaviour, in the analysis of leadership in particular, the construct of power is well established. But very often we find here a perspective ignoring, first, power as dominance and coercion and, second, the embeddedness of power in a broader organizational and societal context. Power appears as a functional medium, which is fluid, changing over time, changeable and moving from one person to the other. Domination – coagulated power – and destructive effects of coercion and exploitation are conveniently overlooked. Furthermore, the role of organizational structures or ideologies making leadership more or less effective and more or less acceptable both in economic and in ethical terms, is largely ignored or downplayed. An overall functionalist bias has led to the fact that many of the most pressing social issues of the organizational society are *not* addressed.

Particularly in management schools organizational theorists have been mainly concerned with designing better or more efficient systems or machines to realize goals and targets. The effects of those machines and in particular the possible damage they create have attracted much less attention. Organizational knowledge has become an instrument of power rather than an analysis and reflection of the power-effects associated with this knowledge and practices of organizing. Focusing on these effects might contribute to the generation of knowledge(s) and the invention of practices that are of wider social and societal significance. Given that the social world in general and the organizational world in particular are always and necessarily associated with some forms of power, organizational studies might contribute at best to a *reflexification*. It might contribute to a social process of inventing and acquiring forms and techniques of management “that will allow us to play these games of power with as little domination as possible” (Foucault 1997: 298).

In line with our editorial aim to contribute to such a reflexification and to go beyond narrow understandings of power, the contributions to this special issue represent a bunch of theoretical perspectives and methodological approaches. Theoretical perspectives range from a combination of the concept of total institutions (Erving Goffman) and the power of the gaze (Michel Foucault), over a micro-politics approach (Tom Burns, Michel Crozier and Erhard Friedberg) to an application of the strategic contingencies theory (David J. Hickson et al.). Nearly all contributions are empirical works, if we apply a broad definition of ‘empirical’. Whereas most of the ar-

ticles employ a qualitative or interpretative approach, one article draws on a quantitative questionnaire based study. Another contribution deals with different theories of power, aiming to combine variables and aspects from diverse approaches explaining the power of managers.

Also the organizations being considered are different (and at the same time similar to some extent): *Stewart Clegg* studies Nazi death camps as a “practical experiment in organizational design and practice” and the technologies of power at work. *Claudia Groß and Nicole Jung* carried out a case study on Amway Corporation as an example of an “entrepreneurial organization”. *Christoph Dörrenbächer and Mike Geppert* analyse corporate internationalization processes by ‘mini case studies’. The determinants of power of Personnel Departments in Higher Education institutions in the UK are studied by *Elaine Farndale and Veronica Hope-Hailey*. In their comparison and proposed integration of different approaches to power, *Thomas Diefenbach, Rune Todnem By and Patricia Klärner* refer to the case of a change process in a large European Higher Education institution.

The Contributions to this Issue

Stewart Clegg's paper on „Bureaucracy, the Holocaust and techniques of power at work“ raises some fundamental issues of contemporary organizational theorizing. Zygmunt Bauman's (1989) argument on bureaucratic rationality and bureaucratic culture as a fundamental condition of possibility of the Holocaust has pointed to the disturbing fact that the most efficient and ‘rational’ mode of organizing can have the most disastrous consequences on the level of actions. This disturbing insight has inspired Clegg's analysis of techniques of institutional power at work in the “efficient” organization of mass murder and mass destruction in the Holocaust. In his analysis Clegg draws on Erving Goffman's (1961) concept of the “total institution” and Michel Foucault's (1977) notion of the “gaze” in order to illuminate the “enormous organizational achievement” of killing millions of state-stigmatized people. Such an “achievement” relied on specific technologies of total institutional power, which Clegg analyses in some detail. Among others these technologies include (a) an ongoing construction of an organizational politics of identity and non-identity: identities were established by using various stigmatizing membership categorization devices, which allowed individuals to be identified as members of specific categories and classes; (b) the use of expert knowledge and the application of an intrinsically instrumental and value free science as a precondition for designing an efficient organizational apparatus; (c) the organizing of mass destruction and the creation of an efficient killing-machine, which was necessary to “process” thousands of Jews and other stigmatized groups a day; (d) the designing of an efficient open system, in which “the inputs were living bodies that were subject to initial selection, variation and retention”. (e) Ultimately the organizational achievement of efficient mass murder relies on what Clegg calls “organizing to overcome humanism”. The creation and maintenance of distance (e.g. through physical separation or isolation), the division of labor in complex chains of power, making technology paramount an organizing work in a way that leaves little room for reflection, all contribute to this form of organizing.

Claudia Groß and Nicole Jung draw upon an intensive qualitative case study of Amway Corporation, one of the biggest direct selling organizations, to show that enterprise within an organization is a complex and paradoxical instrument of power and governance. The starting point of their analysis is the widespread opposition in the literature between enterprise and bureaucracy. Enterprise is commonly seen either normatively as a liberating means of overcoming the suppressive and restricting characteristics of bureaucracy or, critically, as an emerging intrusive form of power that builds on self-control and alleged freedom. Since Amway explicitly propagates values of freedom and self-responsibility and its distributors are mainly self-employed and thus not subject to formal authority structures, this organization can be regarded as an instructive exemplar of an entrepreneurial organization. Groß and Jung take up existing critiques of the dichotomy between bureaucracy and enterprise (Courpasson/Dany 2003; Fournier/Grey 1999; Salaman/Storey 2008) but then go beyond these critiques by exploring how enterprise unfolds through practices that are both liberating and controlling. In their case analysis they demonstrate (1) how organizational entrepreneurial elements in Amway foster self-determination while at the same time serving as a means of control and (2) that entrepreneurial processes include bureaucratic rules and norms. This analysis, which is informed by a Foucauldian notion of power as a complex interplay of a range of techniques and practices, reveals that entrepreneurialism and bureaucratic elements not just co-exist within entrepreneurial companies. Rather, Groß and Jung conclude that “enterprise cannot stand on its own but is instead based upon organizational practices that are at the same time liberating and controlling, entrepreneurial and bureaucratic.” Groß and Jung’s study not just broadens the debate on enterprise but also offers us insights into how an uneven distribution of power within an organization can be maintained (and, at the same time, disguised) by interlinked entrepreneurial ideals and bureaucratic rules and norms.

Christoph Dörrenbächer and Mike Geppert apply a micro-political approach (Burns 1961/1962; Crozier/Friedberg 1979) and analyse conflicts associated with corporate internationalization, especially with mandate change. They argue that the specific strength of a micro-political approach lies in its potential to study the interests of actors and their idiosyncratic actions within the respective context of structural and institutional constraints and also opportunities. It is surprising that this approach has not been used in studies on corporate internationalization, because such a process is associated with internal contradictions and conflicts. Dörrenbächer and Geppert illustrate by three mini-cases (selected from a larger set of case studies) that the interaction of “personal career interests and orientations” on the one hand and structural or institutional conditions on the other hand affect the way the political games are played and can be successful. In general, personal interests of subsidiary managers overshadow the aim of mandate change. The paper finishes with an outline for further research. Interest conflicts based on the career interests of subsidiary managers are seen as core object of further micro-political studies in the field of multinational corporations and internationalization processes. Dörrenbächer and Geppert’s study demonstrates the descriptive and analytical value of a micro-political approach and gives empirical insights into an understudied dimension of internationalization processes – in the power games people play.

Elaine Farndale and Veronica Hope-Hailey use strategic contingencies theory (Hickson et al. 1971) to study the power of Personnel departments in the UK Higher Education (HE) sector (universities, former polytechnics, HE colleges). The authors concede and discuss that power concepts focusing on structural sources of power have their shortcomings, but argue that it is nevertheless worthwhile to further pursue this line of research for examining departmental power structures at the organizational level due to its “ability to uncover embedded sources of power in organizations”. Personnel or HR departments are a fruitful research object for such analyses since, for a number of reasons, these departments have traditionally been seen as comparatively ‘weak’ organizational subunits with respect to strategic influence and control over organizational resources. On the other hand, the professionalization of HR practitioners and an ongoing attempt to increase the HR function’s strategic orientation and impact within organizations raises the question whether the (perception of the) power of Personnel/HR departments has changed. Such developments can be observed in the UK Higher Education sector as well which has undergone significant changes in the last decade including increased funding to Personnel department to improve HRM practices. Based on a questionnaire survey among heads of different administrative departments in HE institutions and subsequent interviews in selected organizations, Farndale and Hope-Hailey investigate the perceived relative power (levels of power) of HE departments in relation to determinants of power and compare Personnel departmental power in the above mentioned three different institutional settings. In their discussion of the findings, they refer, for example, to ‘routine rigidities’ and established ‘rules of the game’ (Gilbert 2005: 742) to explain the still low perceived power of Personnel. Other explanatory factors brought forward by the authors are the fragmentation of departmental power and Personnel role ambiguity. Beyond its contribution to the fields of HRM and Higher Education, Farndale and Hope-Hailey’s study demonstrates that the exploration of structural (departmental) power is an essential element for understanding current change processes (or inertia, respectively) in the public sector and in organizations in general.

Thomas Diefenbach, Rune Todnem By and Patricia Klarner, rather than focusing on mainly one concept of power or theoretical perspective, present “A multi-dimensional analysis of managers’ power”. One contribution of their article is to group a broad range of perspectives towards power into four approaches: Orthodox management and organization studies (‘functional approach’), Critical Management Studies (‘socio-political approaches’), interpretive, discourse-oriented and constructivist concepts (‘interpretive-discursive approaches’), and anthropological, socio-psychological and sociological approaches (‘socio-cultural approaches’). Their key argument is that each of these approaches allows for analysing specific aspects or dimensions of organizational reality and neglects others. Therefore, so the authors argue, it is useful in analyses of power in organizations to employ different approaches to cover these different aspects. Diefenbach, By and Klarner illustrate and explain this assertion by drawing on a case study conducted by one of the authors (Diefenbach) on a change management process in a large European higher education institution. One part of this change process was the centralization of formerly decentralized marketing functions. Starting with functional explanations of this process which either tend to deny or “mystically

elevate” managerial power and which are often used by managers themselves to legitimate decisions by referring to “unavoidable necessities”, the authors then bring in additional approaches. These approaches highlight aspects such as power struggles, ideology and control (socio-political dimension), symbols, rhetorics, language and the construction of meaning (interpretative-discursive dimension) as well as the role of status and hierarchy in social systems (socio-cultural dimension). Diefenbach, By and Klarner’s article gives a broad overview over existing concepts and theories of power in organizations and illustrates the contribution these approaches can make to our understanding of managers’ power. The grouping of perspectives and the suggestion to include disparate approaches into a multi-dimensional framework will certainly provoke objections and thus stimulate debates.

The five contributions to this special issue provide a colorful bouquet of perspectives, theories, methods and types of organizations. This makes us sure that the reader will find thought-provoking ideas as well as – in a dialectical sense – productive contradictions.

References

- Bauman, Z. (1989): *Modernity and the Holocaust*. Cambridge: Polity.
- Bourdieu, P. (1984): *Distinction: A Social Critique of the Judgement of Taste*. London: Routledge.
- Burns, T. (1961/1962): *Micropolitics: Mechanisms of institutional change*. In: *Administrative Science Quarterly*, 6(3): 257-281.
- Clegg, St./Haugaard, M. (2009): *The SAGE Handbook of Power*. London: Sage.
- Courpasson, D./Dany, F. (2003): *Indifference or Obedience? Business Firms as Democratic Hybrids*. In: *Organization Studies*, 24(8): 1231-1260.
- Crozier, M./Friedberg, E. (1979): *Macht und Organisation: Die Zwänge kollektiven Handelns*. Königstein/Ts.: Athenäum.
- Foucault, M. (1977): *Discipline and punish: The birth of the prison*. London: Allen & Lane.
- Foucault, M. (1997): *The Ethics of the Concern for Self as a Practice of Freedom*. In: P. Rabinow (ed.): *Michel Foucault. Ethics, Subjectivity and Truth*, New York: The New Press: 281-301.
- Fournier, V./Grey, C. (1999): *Too Much, Too Little and Too Often: A Critique of du Gay's Analysis of Enterprise*. In: *Organization*, 6(1): 107-128.
- Gilbert, C.G. (2005): *Unbundling the structure of inertia: resource versus routine rigidity*. In: *Academy of Management Journal*, 48(5): 741-763.
- Goffman, E. (1961): *Asylums*. Harmondsworth: Penguin.
- Hickson, D.J./Hinings, C.R./Lee, C.A./Schneck, R.E./Pennings J.M. (1971): *A strategic contingencies theory of intraorganisational power*. In: *Administrative Science Quarterly*, 16(2): 216-229.
- Salaman, G./Storey, J. (2008): *Understanding Enterprise*. In: *Organization*, 15(3): 315-323.
- Williamson, O.E. (1995): *Hierarchies, Markets and Power in the Economy: An Economic Perspective*. In: *Industrial and Corporate Change*, 4(1): 21-49.