



## THE CONCEPT OF POWER IN DECISION MAKING PROCESS: A CROSS CULTURAL PERSPECTIVE

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### **Abstract**

*This paper aims to bring out a cross cultural perspective of using power and authority in decision making process. It gives an account of Steven Luke's three faces of power and French and Raven's types and bases of power. The knowledge about the use of power to make decision is an important component of cross cultural perspectives. The paper discusses the dimensions of culture given by Hofstede and its influence on the decision making. This paper quotes the theories of ethical decision making proposed by Hunt and Vitell (1986) and their statements on influence of culture on decision making. Even though the use of power and authority receives criticism for its connection with politics in organizations and society at large it still ranks high in importance as it serves an important role in decision making process. The use of power and authority in a cross cultural perspective varies from country to country and it calls for an in depth understanding to succeed in the international business.*

**Key Words:** *Power and Authority, Decision Making, Cross Cultural Management, Organizational Culture.*

### **INTRODUCTION**

Power can be defined as the ability of one party to change or control the behaviour, attitudes, opinions, objectives, needs, and values of another party (Rahim, 1989). In most cultures the power / authority, responsibility are associated with the significance of the decision and the impact it leaves on organization and the environment. In some cultures power of an individual is demonstrated by making decisions individually in other cultures those in positions of authority are expected to delegate decision making to a defined group or at least reach a consensus. However, final decisions that emerge reflect the different amounts of power mobilized by the parties in competition. Decision making can therefore be seen as a political process in which outcomes are a function of the balancing of various power vectors (Keeley 2001: p.154).

### **THE CONCEPT OF POWER AND BASES OF POWER**

The concept of power defined by Max Weber is that it is "The probability that one actor within a social relationship will be in a position to carry out his own will despite resistance". And Pfeffer stated that "The potential ability to influence behaviour, to change the course of events, to overcome resistance, and to get people to do things that they would not otherwise do". The description of authority is said that "the right to direct others and ask them to do things which they would not otherwise do, but it is legitimate and is exercised in the working of organizations", it is perceived that authority is different from power for its legitimacy and acceptance in an organizational context. **Steven Luke** described three faces of power, which include decision-making power, agenda-setting power, and ideological power. The power and its bases are being identified by **French and Raven** in 1960, which laid the groundwork for most discussions and research in the area of power and authority.

#### **A) Steven Lukes' 3 Faces of Power**

**1. The first face: Decision Making Power:** This is based upon the work of Dahl who said that person who wins an argument, has the power. This Decision-Making power deals with the idea that those that can make decisions have power, and those who cannot do not have power. **2. The second face – Setting the Agenda:** Lukes said you have real power if you can set the agenda, because you can decide what will be argued about, therefore dictating the situation, with an example of the chairman in a meeting has the power to decide about topics to be discussed, which takes care of the risk of being challenged. **3. The third face – Manipulating the view of others:** The third face of power described how power can covert manipulate others to do something they might



not actually want to do by changing what they want. Lukes, said this can create a false consciousness as the working class will be convinced that what the ruling class want is actually matching with desires and wants of their life.

## **B) French and Raven's types and bases of Power**

**1. Coercive power:** It is based on subordinates' perception that a superior has the ability to punish them if they fail to conform to his or her influence attempt. **2. Reward power:** It is based on the perception of subordinates that a superior can reward them for desired behaviour. **3. Legitimate power:** It is based on the belief of the subordinates that a superior has the right to prescribe and control their behaviour. **4. Expert power:** It is based on subordinates' belief that a superior has job experience and special knowledge or expertise in a given area. **5. Referent power:** It is based on subordinates' interpersonal attraction to and identification with a superior because of their admiration or personal liking of the superior.

## **DECISION MAKING PROCESS**

A decision needs to look reasonable, to have face validity and needs to contain built-in justifications and excuses if it results in unexpected outcomes (Keeley 2001: p.154). The process of decision making is a set of interactions through which demands are processed into outputs (Pettigrew 1972). Decision makers are expected to produce outcomes that are consonant with their own system's goals, and the decisions are influenced by power in the organization and by corporate communication. Decision makers strive for mutually acceptable solutions encountered with different values, personalities, backgrounds leading to conflicts. The potential for conflict increases with organizational size, diversity, and the probability of conflict differs with types of decision making patterns cross culturally.

## **ORIGINS OF CROSS CULTURAL DIFFERENCES IN DECISION MAKING**

The distinct worldviews are divided into two and most often compared are Eastern and Western cultures. And the existing cultures can be grouped and compared under the scales of Collectivism and Individualism. The societies that are described as individualistic have the independent social orientation, with the characteristics autonomy, self-expression high in priority. The collectivists' societies have the interdependent social orientation with the characteristics of harmony, relatedness, and connection. It is noted that the interdependent societies are found among Eastern nations, and independent societies are found among Western nations. Many empirical studies (Ali, 1989; Tayeb, 1988; Mann et al., 1998; etc.) have confirmed the importance of cultural background in the choice of a decision-making style. N. J. Adler (1991) emphasizes the role of national culture by saying that decision-making styles must be attached to the corresponding national culture, values and norms.

## **DECISION-MAKING MODELS**

It is well quoted and researched that the culture plays an important role in decision-making process. **1. The Universal Model:** According to this model it is assumed that there is only a little difference in how individuals from different cultures make their decisions and the results obtained from one group can be attributed to people in general. **2. The Dispositional Model:** This approach acknowledges that there are cross-cultural differences in decision-making and it is argued that whatever differences found in the studies indicate that the omnipresence of cultural inclinations in the minds of individuals are bound to emerge under all circumstances and in all situations. **3. The Dynamic Model:** According to this view that there exist the cross-cultural differences in decision making. Higgins and Bargh (1987), for example, who studied several decision-making models, found that culture, which they called filters and simplifying mechanisms, helps people to process information and interpret their surrounding environments.

## **THE INFLUENCE OF CULTURE OF ON DECISION MAKING**

The research shows that individuals from different cultures tend to have different views of the self, which affects the patterns of thinking, interaction, and consequently influences their behaviour in decision making. According to Hofstede, individualist culture has the primary concern and interest for self and their immediate family. And



collectivist's culture has social orientation and believes that public good overrides individual benefit. Most authors (Kluckhohn & Strodtbeck, 1961; Sapir, 1977; Schein, 1992; Lewis, 1992; Trompenaars, 1994; Hofstede, 1997) have discussed and affirmed that values, behaviour and decision making has been frequently associated with and affected by culture. The research studies contributed by most of the authors (Hall, 1992; Hofstede, 1997; Kluckhohn & Strodtbeck, 1961; Schein, 1992; Trompenaar, 1994) supports the premise that culture dictate the way individuals or groups make decisions.

The research of Hofstede (1984) gives four cultural dimensions: a. power distance, b. individualism, c. masculinity and d. uncertainty avoidance. According to Hofstede (1984), power distance is the extent to which the less powerful individuals in a society accept inequality in power and consider it as normal. Al though inequality exists within every culture, the degrees to which it is accepted varies from culture to culture. The field of ethical theories have two types, deontological and teleological (Murphy dn Laczniak 1981). The theory of deontological focuses on specific actions and behaviours of an individual while the teleological theory focuses on the consequences of those actions and behaviours of an individual (Hunt and Vitell 1986). They proposed that cultural norms effect perceived ethical situations, perceived alternatives, perceived consequences and importance of stakeholders. However, Hunt and Vitell did not specify how cultural norms affect ethical decision making.

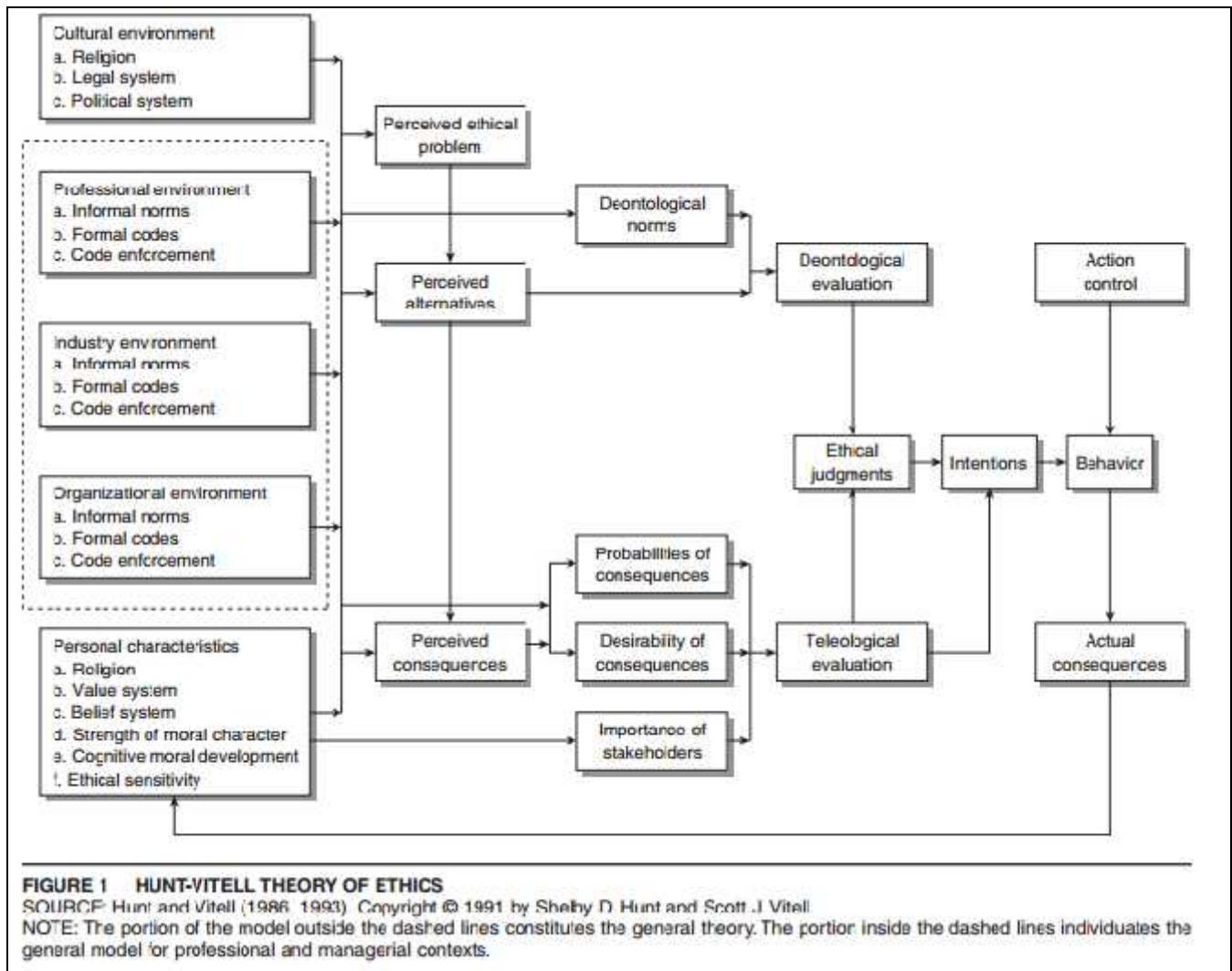


Figure 2: Source: Hunt and Vitell Theory of Ethical Decision Making (1986-1993)



## CONCLUSIONS

Many have extensively researched on decision-making theories and contributed to the body of knowledge to compare the cross cultural differences. The results have shown that choice and behaviour represent the core characteristics of decision-making phenomena and explains the cognitive patterns of reactions with judgments, expectations, and evaluation styles of the situation. Descriptive and normative theories propose distinct assumptions to explain the decision-making process; the descriptive, psychological decision theory focuses on how individuals decide, while the normative, rational decision theory elucidates how decision makers should decide. Psychological theories have uncovered basic principles people use when dealing with problems, and rational methodologies explain how decision makers analyze a number of outcomes from each alternative scenario for making a final decision. The body of psychological decision-making models refers to the existence of special mechanisms through which people process information and interpret their surrounding environments. Such cognitive processes are based on the principle that people's beliefs and values might influence their information processing. Recently more research is involved in conducting studies on decision making process across cultures. The research results show that there are cross cultural differences in behaviour and in decision making strategies in particular.

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