FACTORS INFLUENCING ORGANIZATIONAL POLITICS IN THE BANKING SECTOR

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Abstract

The politics of management and the management of politics in the workplace have received a great deal of attention due to their image of pervasiveness, mystery and potential benefits for those who know how to use them in the struggle over resources. This study therefore sought to examine the factors that influence organizational politics and the perceived effects on employees from the perspective of employees. Three banks were selected from Accra metropolis and fifty (50) respondents selected using convenience sampling. Analyzing the data with simple statistical frequency, percentage distribution, and tables, it was revealed that, nepotism and favoritism is the major factor which influences organizational politics. It was therefore, recommended that, nepotism and favoritism should be eliminated or reduced to avoid anxiety and stress, job insecurity and employee turnover.

Key Words: Organizational politics, organizational behavior, political behavior, Employee performance

1.0 INTRODUCTION

Managerial theory and practice have in recent times, been preoccupied with issues related to power, influence, and politics in organizations. The politics of management and the management of politics in the workplace have received a great deal of attention due to their image of pervasiveness, mystery and potential benefits for those who know how to use them in the struggle over resources. Politics in organizations is thus used to promote interests and gain advantages over competitors in a market-oriented environment but also in non-market arenas and governmental agencies. Even today, after many years of study, organizational politics enjoys popularity in academic research as well as in the discourse of practical management. However, its significance for Human Resource Management is one of its least studied aspects, and awaits further theoretical exploration and understanding. Ferris and King, (1991) therefore concludes that, “for managers, the most appropriate perspective would seem to be to develop a better understanding of politics and how it affects human resources – ‘employees’ decisions so that its dysfunctional consequences can be prevented” Vigoda-Gadot and Drory, (2010).

Vigoda (2003), describes organizational politics as the unique domain of interpersonal relations in the workplace. Its main characteristics are the readiness of people to use power in the efforts to influence others and secure personal or collective interests or, alternatively, to avoid negative outcomes within the organization.

Organizational politics also refers to behaviors “that occur on an informal basis within an organization and involve intentional acts of influence, that are designed to protect or enhance individuals’ professional careers when conflicting courses of action are possible.” (Porter, Allen, & Angel, 1981; Drory, 1993). The wide variety of organizational politics suggests that the concept is in transition and under continuous debate. However, politics is a specific quality in the dynamics of organizations and impacts all the aspects of business life. (Aronow, 2004)

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The foregoing analysis brings to the fore that, even at the workplace, man is a “political animal” who cannot extricate himself/herself from the claws of politics because he or she yearns for the common good, which requires struggle because of individual competing interests, goals, aspirations and motives. More so, the existence of a synergy between the factors influencing organizational politics and political behaviors of employee is eluding employees. Therefore, the cardinal aim of this research is examining the factors influencing organizational politics and the perceived effects of organizational politics on employees from the perspective of employees.

2.0 LITERATURE REVIEW

2.1 The Concept of Organizational Politics

The literary discourse regarding organizational politics began in the 1970’s with a focus on aspects of power and bureaucracy in the work place specifically focused on management and leadership (Drory and Romm, 1988). Mintzberg (1985) acknowledges that the topic received only fragmented exposure in the literature prior to the 1980’s and associates the phenomenon primarily with conflict. The initial literary explorations attempted to justify its existence and relevance and struggled with defining the experience (Drory and Romm, 1988). Like the unseen elephant in the living room, one knows it is there, even though, it is difficult to describe and define.

The label ‘organizational politics’ found its way into the literature and textbooks on organizational behavior in 1983 in publications by Robbins, Hellrigel, Solcum and Woodman (Drory and Romm, 1988).

Notwithstanding the mention, organizational politics remained relatively undefined. Mintzberg (1985) couples politics with influence when he writes that “politics may be considered to constitute one among a number of systems of influence in the organization…the others [include] authority, ideology, and expertise may be described as legitimate in some sense.” Drory and Romm (1988) posit: Considerable disagreement exists among the writers with regard to the definition of the term. Beyond the relatively wide agreement that political behavior involves an attempt at influencing others there is a wide difference with regard to the purpose, the means and the circumstances which distinguish political from non-political organizational behavior. In the words of Aronow (2004), “Once the concept received a label even though undefined, it was ripe turf for grounded theory and hypothesis”.

2.2 The Dichotomous nature of Politics

The concept of politics defies an autonomous definition or explanation. This stems from the fact that many a scholar attempts to explain the concept from different perspectives and experiences and since human beings are entitled to their individual peculiarity, politics as a concept is defined based on peoples, preoccupations and orientations. So what may be politics to the

Political Scientist may not necessarily be politics to the Organizational Scientist. Organizational Scientists have since time immemorial up to present day scholarship, proffered numerous definitions on politics as a concept. To some, it has a relationship with influence and to others; it either has a correlation with power or behaviors in society; be they in the formal or informal environments or legal or illogical platforms. However, the concept is also in a way, linked to the phenomenon of conflict and cooperation since human behaviors cannot be predicted. Therefore, the premise that every organization is composed of people who have varied tasks, career and personal interests (Morgan, 1998), allows us to understand an
organization as a political entity. “The idea of politics stems from the view that, where interests are divergent, society should provide a means of allowing individuals to reconcile their differences through negotiation.

Lasswell, (1936) describes it as, “who gets what, when and how” and for Heywood (2000), “the authoritative allocation of values and resources”. The concept of politics could therefore be conceptualized to mean the exertion of managerial prerogatives in formal and informal as well as legal and illegal work arenas to determine the goals, balance interests and maintain the best and ultimate organizational interest. That is in as much as divergent view ought to be considered in the organization’s decision making process, the one best interest by the organizational political game players are maintained.

Robbins and Judge, (2007) however, give a divergent perspective on the concept and puts it thus, “When people get together in groups, power would be exerted. People want to carve out a niche from which to exert influence, to earn rewards, and to advance their careers. When employees in organizations convert their power into action, we describe them as being engaged in politics”. Therefore, Robbins and Judge (2007) see political behavior in organizations as activities that are not required as part of one’s formal role but that influence, or attempt to influence, the distribution of advantages and disadvantages within the organization. This purview brings to light a broad spectrum of political behaviors such as withholding key information from decision makers, joining a coalition, whistle blowing, spreading rumors, leaking confidential information about organizational activities to the media, exchanging favors with others in the organizations for mutual benefit, and lobbying on behalf of or against a particular individual or decision alternative.

Robbins and Judge, (2007) expand these political behaviors and categorize them into two to embrace the “legitimate-illegitimate” dimensions where legitimate political behaviors refers to the normal everyday politics complaining to your supervisor, bypassing the chain of command, forming coalitions, obstructing organizational policies or decision through inaction or excessive adherence to rules, and developing contacts outside the organization through one’s professional activities. On the other hand, the illegitimate dimension encompasses behaviors that violate the rules of the game, sabotage, whistle-blowing, and symbolic protests such as wearing unorthodox dress or protest buttons, and groups of employees simultaneously calling in sick.

Drory and Romm (1988) broaden the political behavior horizon and offer five concepts as key elements in defining organizational politics: 1) Behavioral means which consist of three components- formal, informal, and illegal, 2) Acting against an organization, 3) Power attainment, 4) Conflict, 5) Concealed motive. Drory and Romm use the terms, prescribed, discretionary and illegal to depict the three components of behavioral means and articulate the differences by suggesting that prescribed behavior fall within the realm of the acceptable, discretionary behavior being informal, acceptable but non-sanctioned, and illegal behaviors as those that are prohibited within the organization (Aronow, 2004).

Power attainment is also considered as a central characteristic of organizational politics and sometimes interchanged with organizational politic as a concept (Drory&Romm, 1988). Conflict in the definitions by Drory and Romm is suggested to mean a state that exists between parties involved in organizational politics. The concealed motive of the definition is described as a “major characteristic often accompanying political behavior. They continue, “The true motive is concealed because the actor believes that it is unacceptable, and a false but acceptable motive is presented instead” as cited in Aronow (2004).
According to Aronow (2004), a more recent study by Drory and Romm (1990) reveals their recent position which asserts that, there is no common, basic definition that captures the entire complexity of organizational politics.

Out of a desire to pin down the phenomenon, the literature captured an evolution of definitions moving to a more general explanations of behaviors affecting the organization which might be either formal (sanctioned) or informal (non-sanctioned).

The scarcity of resources, different individual values and goals consequently, sets up the potential for conflicts into actual conflict since there may be struggles for and competitions over them. Mintzberg (1989) however, gives a clearer presentation on politics and its extricable link with conflict and cooperation. He links politics and conflict in his discussion of the political arena in organizations. He introduced three basic dimensions of conflict in organizations-intensity, pervasiveness, and duration (or stability). These variables were associated with four forms of political arena: confrontation, shaky alliance, politicized organization, and complete political arena. Mintzberg hypothesizes that, organizations are thrust into and out of all four forms of the political arena or systems of influence.

According to Robbins and Judge (2007), one important gradation to the organizational politics dimension is “impression management”. To an organization, good perceptions or bad perception counts in image building and positioning. Therefore employees are very particular about this in the execution of their mundane duties. That is, being perceived positively by others has benefits for people in organizations. It might, for instance, help them initially to get the particular job they want in an organization and if hired, to get favorable evaluations, superior salary increases, and more rapid promotions. Robbins and Judge (2007) define it as “the process by which individuals attempt to control the impressions others form about them” whilst Schlenker (1980) defines it as “the conscious or unconscious attempt to control images that are projected in real or imagined social interactions”. There seems not to be a consensus on a common definition on politics and its relations with organizations. Rather, recent scholarly works seems to be sandwiched between perceptions and impacts rather than theoretical postulations.

2.3 The Reality of Politics in Organizations

Decision making is an inextricable human reality. In the day to day management of people, decisions as to who gets what, when, and how in an organization plays a significant role for qualitative development to be realized. Therefore, since the bottom line of any political action or inaction is decision making which transcends socio-politico-cultural engagements to economic engagements- i.e., embracing deliberations between people working in organizations, it is no fallacy that politics is a fact of life in organizations.

The premise that, every organization is composed of people who have varied task, career and personal interest (Morgan, 1998) allows us to understand an organization as a political entity. Robbins and Judge (2007), posit that; “Organizations are made up of individuals or groups with different values, goals, and interests. This sets up potential for conflict over resources. Department budgets, space allocations, project responsibilities, and salary adjustments are just a few examples of the resources about whose allocation organizational members (employees) would disagree. Resources in organizations are also limited, which turns potential conflicts into real conflict”.

Therefore, the scarcity of these limited resources presupposes that, all constituencies of the organization cannot get their goals satisfied. Gains by one individual or group are often perceived as being at the expense of others within the organization (Robbins & Judge, 2007).
They further hypothesize that, “Maybe the most important factor leading to politics within organizations is the realization that most of the “facts” that are used to allocate the limited resources are open to interpretation” and so questions like, “What is good performance? What’s an adequate improvement? What constitutes an unsatisfactory job?” take different twists where one person’s view that an act is a “selfless effort to benefit the organization” is seen by another as “a blatant attempt to further one’s interest”.

2.4 The Emerging Roles of Employees

Social scientists, as a result of the sea of varying literature, have come to accept and understand “organizations as cultures and as political arenas” (Tsoukas and Cummings, 1997). In present day organizations, the work of the average employee seems to becoming complex by the day. It has therefore become imperative for employees to have a holistic assessment and understanding of the cultures in which they operate and acclimatize themselves to the environment in order to aid their performance. Among other things employees’ responsibility, according to Marnie cited in Aronow (2004) “…expected to be problem-solvers, conflict resolved (among themselves), and liaisons with lots of organizational savvy…”

Human Resource however also has a role to play and Gilley, Eggland and Gilley (2002) enumerates on as follows; “Organizations are comprised of a myriad of individuals with different perspectives, assumptions, experiences, personalities, agendas, goals and ambitions. Therefore it is essential that management develop the skills appropriate to effectively work with people to achieve desired outcomes. Political navigators develop an understanding of the political arena in which the organizations conducts business. Absent these skills and insights, you would fail to develop the type of influence necessary to bring about long-term systematic change.

3.0 METHODOLOGY

Three banks were selected as a case study. The sample size for the survey was fifty (50) respondents, consisting of staff. The sample respondents were selected using a convenience sampling technique. The techniques used in analyzing the data are simple statistical frequency, percentage distribution, and tables to present the analyzed data for easy understanding.

4.0 DISCUSSION OF FINDINGS

4.1 Demographic data

The gender of respondents was determined in order to know ascertain the population of the gender group working in the banks. By the presentation in figure 1.0 above, there are more females than males. But the gap is not so significant (3%). This observation is also dependent on the type of bank under assessment and the branch as well. In a note shell, there is no significant difference between the ratios of male to female workers in a bank. Although not part of our study, it was realized that most of the managers in the banks visited were males. This is an area worth researching into.
Fig. 1 – Gender of respondents

Table 1 revealed that, emotional insecurity (66%), promotion opportunities (68%) competitive work environment (68%) and, favoritism and nepotism (84%), are the factors which influence organizational politics the most in the selected banks. A careful analysis indicated that out all the factors influencing organizational politics the factors which exert significant impact were favoritism and nepotism as it is locally said, “is whom you know” thus if you know somebody or your relative is in an influential position, definitely you would have some sort of favor from that person. The issue of favoritism and nepotism may even be pronounced in all other organizations aside the banks. In tough economic times many managers are worried about making the wrong decision and often go with known entities as a result. There can be economic consequences for hiring or promoting someone and realizing it was a mistake. In addition, emotional insecurity cannot be ruled out in a system where “whom you know” is the name of the game. To survive and work your way to the top of your career as an employee, you must know how to fit into the political atmosphere of the organization in which you work.

**Table 1: Factors influencing Politics among Employees**

<table>
<thead>
<tr>
<th>Competitive work environment</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>34</td>
<td>68.00%</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>32.00%</td>
</tr>
<tr>
<td>Subjective performance standards</td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Yes</td>
<td>9</td>
<td>18.00%</td>
</tr>
<tr>
<td>No</td>
<td>41</td>
<td>82.00%</td>
</tr>
<tr>
<td>Unclear job description</td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Yes</td>
<td>20</td>
<td>40.00%</td>
</tr>
<tr>
<td>No</td>
<td>30</td>
<td>60.00%</td>
</tr>
<tr>
<td>Emotional Insecurity</td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Yes</td>
<td>33</td>
<td>66.00%</td>
</tr>
<tr>
<td>No</td>
<td>17</td>
<td>34.00%</td>
</tr>
</tbody>
</table>
The hard economic state of affairs in African countries especially has given birth to a “survival for the fitter” and “power struggle” attitude amongst employees and organizations, thereby heightening the level of politics in institutions. Promotion is not given to he who is due, there is hatred and undermining due to the competitive work environment, all these geared towards power attainment. Factors such as subjective performance standards, unclear job description, high performance pressure and organizational change were considered to have low influence on organizational politics (Fig 1). These findings go to prove the point of Drory and Romm (1988) that, power attainment is the central characteristic and factor of organizational politics.

<table>
<thead>
<tr>
<th>Politics</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Makes me Indifferent about my future with the organization.</td>
<td>16</td>
<td>32.7</td>
</tr>
<tr>
<td>Has dampened my spirit and made me unable to give off my best.</td>
<td>17</td>
<td>34.7</td>
</tr>
<tr>
<td>Has pushed me to consider leaving this organization</td>
<td>18</td>
<td>36.7</td>
</tr>
<tr>
<td>Made me wish to stay in the organization for a long period</td>
<td>12</td>
<td>24.5</td>
</tr>
<tr>
<td>Makes me feel part of this organization</td>
<td>10</td>
<td>20.4</td>
</tr>
<tr>
<td>Has increased my job anxiety and stress</td>
<td>9</td>
<td>18.4</td>
</tr>
</tbody>
</table>

Table 2: Perceived Effects of Organizational Politics on Employees

Table 2.0 also revealed that, the perceived effect of organizational politics is increasing the anxiety and stress of employees. In contrast, some employees are of the view that, organizational politics make them feel part of the organization. Employees further said that, organizational politics make them indifferent about their future in their current organization. Furthermore, respondents agreed that organizational politics has the effect of damping their spirit thereby affecting their contribution to the organization. Finally, respondents have stated
that, organizational politics push them to leave the organization. These goes to affirm that organizational politics has a negative impact on employees and the organization as a whole.

5.0 CONCLUSION

The researchers attempted to examine the factors influencing organizational politics and the perceived effects organizational politics has on employees from the perspective of employees. The research revealed that, nepotism and favoritism, emotional insecurity, promotion opportunities, competitive work environment, are the major factors influencing organizational politics. A careful implementation of “free and fair” policies and democratic decision making would increase institutions profitability. More so, reduction of nepotism and favoritism among employees, creation of favorable environment for employees to put in more effort and effective communication can enhance the performance of the sampled organizations and other establishments.

Recommendations

- Based on the findings of the study, the research recommends that management should eliminate or minimize nepotism and favoritism in order to take away anxiety and stress, job insecurity and employee turnover but rather enhance productivity.
- It is further recommended that organizational politics should be done carefully since it may lead to high employee turnover.
- Furthermore, it is recommended that unclear job description should be avoided in order to enhance organizational productivity.
- Managers should allocate resources with a criteria understood by all parties concerned.
- In addition, there should be excellent communication practice within the organization.
- Finally, promotion opportunities and competitive work environment among other factors that influence organizational politics should be handled with care.

REFERENCES


