Think you have power? Check your perceptions

This article identifies six steps to gain power and then use that power for good. Only by learning to use your power wisely will leaders be able to enhance group success and make decisions that have a positive impact on others.

October 1, 2013

When Jimmy Cayne was eased out of the now-defunct investment brokerage, Bear Stearns, there wasn't a dry eye in the house. As he bade farewell to the organization he had presided over for decades, the auditorium erupted in a standing ovation.

At least, that's how he remembers it. Those who worked with him tell a rather different story. Indeed, according to the exposé *House of Cards*, Cayne was so disliked that subordinates were threatening to leave if he stayed any longer.

Why such conflicting recollections? Cayne had seemingly succumbed to an "illusion of alliance." Put simply, he fatally overestimated the strength of his relationships with others.

Cayne is not alone. Countless other dramatic falls from grace reveal that illusions of alliance are a common affliction of many senior executives. Even the late, great Steve Jobs once overplayed his hand and was consequently kicked out of the company he founded.

CEOs aren't fully to blame for executive turnover. External factors such as economic volatility, disruptive technology or industry shakeups play their part, too. Even so, research I have conducted on power dynamics in organizational settings suggests that powerholders can sometimes be their own worst enemies, making fatal mistakes that end up tipping the scales against them.

©IESE Business School

This article draws upon research from the field of organizational behavior and psychology to understand the strategic decisions and behavior patterns that influence one's power prospects. A deeper awareness and appreciation of the various socio-psychological factors at play will help readers to not only gain power but minimize the risk of losing it, so that one can honestly say that any tears shed will be not for bitterness but for joy.

This article is published in IESE Insight Issue 19 (Q4 2013).

This content is exclusively for personal use. If you wish to use any of this material for academic or teaching purposes, please go to IESE Publishing where you can purchase a special PDF version of "Think you have power? Check your perceptions" (ART-2453-E), as well as the full magazine in which it appears, in English or in Spanish.

©IESE Business School