

# Four Components of Management Authority



*One's operational authority is derived from competence, position, personality, and character. While each has its place, character is the executive's most valuable asset.*

**I** COULD REALLY GET THINGS done if I just had the authority." The man who says this to his boss has probably heard that old timeworn principle of management that "authority must be delegated commensurate with responsibility" and believes that his boss has not followed that principle in his case. If his boss did follow it, he is certain, all would be well.

Why, then, doesn't his boss follow it? It's a question of authority.

## What Is Authority?

I define authority as follows: "Authority is whatever you possess at the moment that causes someone else to do what you want him to do at the moment."

If you as a supervisor, manager, or executive have enough authority, as defined above, to get done what you want done, you have all the authority you need at the moment.

The authority you need is made up of four components:

First, *competence*. Authority of competence has to be acquired. It evokes confidence. The more competent you are to the other person, the more confident he will be that you know what you are talking about and the more likely he will be to follow your orders, requests, or suggestions. He will think of you as an authority in the matter under consideration and will feel it risky to ignore your wishes. If he does not have this confidence, he will, at best, give you lip service or, at worst, ignore you or sabotage you.

Second, *position*. Authority of position has to be delegated. It evokes deference. This component gives you the right to tell someone, "Do it or else." It has teeth. "The boss wants it" is a bugle call that can snap many an office or shop

into action. His position carries authority that demands deference. Only the "gambler" will capriciously ignore it.

Third, *personality*. Authority of personality has to be developed. It evokes rapport. The easier it is for the other fellow to talk to you, to listen to you, or to work with you, the easier he will find it to respond to your wishes. The harder you are to do business with, the harder it will be for him to find satisfaction in doing what you want him to do.



**The Board wants a person who has the authority of character.**

He already has one full-time problem—to succeed in his own job. If, in addition, he finds you difficult to talk to, listen to, or work with, he has two full-time problems. If both combined are too much for him, he will not solve either problem well. At worst, he may fail at solving the first problem because he is too preoccupied with the second. In that event he certainly will not be doing what you want him to do. If, on the other hand, he has no "second problem," he may do more than you expected. It takes a lot of effort to say "no" to someone with whom it is easy to do business.

Fourth, *character*. Authority of character has to be cultivated. It evokes respect. This component is your "credit rating" with other people as to your integrity, reliability, honesty, loyalty, sincerity, personal morals, and ethics. Obviously you will get more and better

action from a man who has respect for your character than from one who hasn't. He acquires this respect (or lack of it) from the trail you leave behind you of promises kept or broken, expectations fulfilled or forgotten, statements corroborated or shown to be false.

You get no credit for being honest when it costs you nothing to be honest, for being dependable when it costs you nothing to be dependable. The measure other people place upon your character is how far you have been willing to put yourself out to maintain your record of honesty and dependability. This tells them at once how far they will want to put themselves out for you when the chips are down. The greater their respect, the farther they'll go, and the greater is the component of character in your overall authority.

Why doesn't higher management usually delegate complete authority of position to do the job? It's simply a matter of risk.

How much authority will you, yourself, delegate to a man for whose character you do not have complete respect, or with whose personality you do not have complete rapport, or in whose competence you do not have complete confidence? *Less* than complete authority. And this will be *less* than he needs to do the job for which he is responsible!

However, as he earns more respect, rapport, and confidence from others, you will delegate to him correspondingly more authority. Eventually he may acquire from you all the authority of position he needs. I say "may" because he will no doubt be promoted before that happens and will have to start all over again with his new boss. This is one of the frustrations of success!

## Three Immutable Laws

In getting others to do what you want them to do when you want them to do it, follow three immutable laws.

*First, lead from that component of your authority appropriate to what you want done, whom you want to do it, and the situation within which it must be done.*

For example, imagine that you are drawing up your budget requirements for the upcoming fiscal year. Your aim is to get your boss to approve your budget estimate and make it stick when the budget committee finally meets to put the overall company budget together.

From which of the four components of your authority will you lead? Obviously not from position, as this is effective only on the men under you. So you decide for the moment you'd better

## AUTHORITY

lead from competence. You begin your presentation at "A" with every sign of not stopping until you get to "Z," which appears to be an hour away at least. Realizing that he won't be able to take it much longer, he interrupts you:

"This looks fine, Joe. A lot of work behind it. Characteristic of your approach to everything you do. Give me the 'approval form.' After all, you've never let me down in the past on these matters, so I'll be happy to sign it now."

Caught unprepared for this immediate approval, you insist that he hear your argument to the bitter end. As you plod your pedantic way through your charts and tables, he becomes inwardly more and more annoyed. Finally he decides to beat you at your own game. Rising from his chair, he purposely mistakes a flyspeck for a decimal point and asks why you take up his time with material that hasn't even been proofread. With that he unceremoniously leaves for the club and a long weekend.

You had all the authority you needed to get his approval the moment after you entered the office. You won it on character, but then lost it because you insisted on winning it on competence.

You did the right thing in coming fully armed with facts and figures. You did the wrong thing in not being willing to sense the man's mood, the timing, and the situation—and in not switching immediately from one component of your authority to another.

The professional manager is both willing and able to make the required shift on the spot and takes pride and satisfaction in being able to do so. This way he usually has enough of the right kind of authority on tap to get his boss to do what he wants him to do when he wants him to do it.

*Second, be careful not to lead from one component in order to camouflage a weakness in another.*

Suppose, for example, you are in a conference where a matter of policy is being debated. Before long, you find yourself a one-man minority fighting with your back to the wall. Your one reply to the pleadings and the arguments of the others is that you are against the proposition "as a matter of principle." This only aggravates them more, but you remain adamant. Eventually, communication between you and them breaks down completely, and the meeting is recessed. You console yourself by laying the entire impasse to your own strength of character, identifying yourself with the

early Christian martyrs.

Without realizing it, you may have feigned strength of character to cover up a deficiency in personality. There need be no conflict between gaining the other man's respect and, at the same time, maintaining rapport with him. The man who cannot conquer this conflict within himself loses much of the authority his character may already have provided him. Moral: "Learn to disagree agreeably."

*Third, do not lead from one component of your authority in such a way as to create a false impression about another component.*

A person who is easy to listen to, easy to talk with, and easy to do business with (strong on personality) may be creating the impression that he is strong in competence. By picking up a few technical terms and borrowing a few statistics, he can double as a Ph.D. in economics to the point of fooling even the pros—for a while—but he loses his authority over the long run.

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### "THE MOST VALUABLE COMPONENT OF YOUR AUTHORITY IS DOCUMENTED IN THE TRAIL YOU LEAVE BEHIND YOU: YOUR CHARACTER."

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From time to time every supervisor, manager, and executive has to choose between being liked and being respected. The choice, then, is between leading from personality or from character. Lose a man's respect, and it's a long uphill pull to regain it (if it can be regained at all). Lose a man's liking for you, and it is a relatively easy matter to win him back. This is particularly important in management. The manager who is out to win a popularity contest will lose his authority in the quicksand of the compromise. If he is out primarily to win their respect, he can then go as far as he wishes in winning their friendship through effective human relations.

While you may not have knowingly committed these errors, you may have been erroneously perceived by others as having committed them. This is just as damaging to your career as having intended to commit them. This is why it is so necessary to develop a sensitivity to choose the right component of your authority to use on the right person at the right time. It pays off in your ability to get the person to do what you want him to do when you want him to do it. It is this ability that constitutes your authority to manage.

## Character Never Fails

I have listed these four components of authority—competence, position, personality, and character—intentionally in a particular order. From the top down they follow the order in which they are critical to success in our careers.

When we apply for our first job, we are asked, "What can you do?" Thus *competence* is the earliest component of success. We also get our first raise on this basis, if not our first promotion. Having demonstrated our competence, we are eventually selected for promotion to a supervisory position. Having demonstrated success as a supervisor, we are selected for promotion to middle management in the hope that we can succeed in a situation where *personality* carries more authority than position. Having achieved success as a middle manager, we are now considered for an executive position. At this level, the trail we have left behind us both inside and outside the company is the critical factor. In short, what is being looked for is a person of integrity who has the authority of *character*—in the eyes of scores, if not hundreds, of people.

At this point, it is of little importance how honest and full of integrity we and our colleagues think we are. Many an honest man has *seemed* to be dishonest merely because of a careless, though possibly well-intentioned, act. He suffers just as much as if he *had* been dishonest. The trail he has left behind him has already been interpreted by others as they have seen fit.

The most valuable component of your authority is documented in the trail you leave behind you—your character. Happy is the person who makes certain that his trail does not have confusing or misleading patterns which may look crooked to others, regardless of how they may appear to him. His own opinion about this doesn't count at this crucial juncture. The Board wants a person in whom *others* respect the authority of *character*. His or her trail must already have spoken "loud and clear" to all whom he or she will be expected to lead and influence.

Hence, if we are selected for an executive post, we will want to continue to cultivate breadth and depth of character while being careful also to continue striving for *excellence* in competence and personality in the position. □

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# Ten Characteristics of "Abundance" Management



Executives who are expert at handling "hot potatoes" keep cool by concentrating more on creating

markets for their products and less on protecting their "turf," promoting their "thing," and getting their "piece of the pie."

**T**WO POTATO FARMERS from Idaho made it big in business by cultivating an abundance mentality. J.R. Simplot and Nephi Grigg both built successful frozen-food companies (J.R. Simplot Company and Ore-Ida Foods) on the idea that one can create a market, not just steal shares from others.

Simplot, the major spud supplier to McDonald's, and Grigg, who founded Ore-Ida and later sold it to Heinz, found that creating new wealth doesn't always mean taking it away from other players in the market. Like other legends of their time, Ray A. Kroc and J. Willard Marriott, Simplot and Grigg built their own markets for their products.

They did it with an abundance mentality—a bone-deep belief that "there are enough natural and human resources to realize my dream" and that "my success does not necessarily mean failure for others, just as their success does not preclude my own."

Over the past 25 years of working with organizations and with individuals, I have observed that the abundance mentality often makes the difference between excellence and mediocrity, particularly because it virtually eliminates small thinking and adversarial relations.

I often ask managers at my seminars, "How much time is spent by your people in interpersonal conflict, inter-departmental rivalries, defensive or protective communication, politicking, second-guessing, back-biting, criticizing, and attacking the competition?" I ask

people to put down a figure on their paper. Then, I ask for a tally. Usually, about half the people acknowledge that they spend more than 25 percent of their time in such activities. Many believe it but won't acknowledge it because their bosses are present.

There is so much negative energy in organizations and in our society. People think of taking the legal approach to problem solving, often at the very first blush of a problem. Everyone is looking out for number one, anxious to get his "piece of the pie" and protect his "turf." Such self-centered activity springs from a belief that resources are limited. I call it the *scarcity mentality*.

The normal distribution curve, embedded deep in the bowels of academia, tends to spawn the scarcity mentality because of the perceived "zero sum" situation. If people somehow avoid being "scripted" into a scarcity mentality by their schooling, they may acquire it from an athletic or social experience.

People with a scarcity mentality tend to see everything in terms of "win/lose." They believe, "There is only so much; and if someone else has it, that means there will be less for me." They have a very hard time, for instance, being genuinely happy for the successes of other people—particularly if these people are from their own company, household, or neighborhood—because, in some way, it may cause them to feel that something is being taken from them.

If you see life as a "zero sum" game, you tend to think in adversarial or competitive ways, since anyone else's "win" implies your loss. And, if you were brought up on conditional love and constant comparisons, you adopt a scarcity script, thinking in dichotomies—either "haves" or "have nots," either "I'm okay, you're not okay" or "I'm not okay, you're okay."

In my life, I've gone through many cycles of abundance and scarcity thinking. When I have an *abundance mentality*, I am

trusting, open, giving, willing to live and let live, and able to value differences. I realize that strength lies in differences. I define unity not as sameness, but as complementary oneness where one's weakness is compensated by the strength of another.

People with an abundance mentality employ the negotiation principle of win/win and the communication principle of seeking first to understand before seeking to be understood. Their psychic satisfactions don't come from winning through beating others or from being compared to others, either positively or negatively. They are not possessive. They don't force and push natural processes by requiring other people to tell them where they stand all the time. They don't get their security from someone else's opinion.

An abundance mentality springs from an *internal security*, not from external rankings, comparisons, opinions, possessions, or associations. People who derive

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**People, not potatoes, are the most important product.**

their security from such sources become dependent on them. Their lives are affected by whatever happens to the sources of their security.

## Ten Characteristics

What characteristics distinguish abundance thinkers such as Simplot, Grigg, Kroc, and Marriott from scarcity thinkers? Consider the following ten.

- They return often to the right sources.

In a recent book, *The Divine Center*, I suggest that the most fundamental source, and the root of all the rest, is the divine source. If our lives are centered on other sources—spouse, work, money, possession, pleasure, leader, friend, enemy, self—distortions and dependencies develop.

SKILLS ARE NEVER ENOUGH

Here is a dangerous half-truth: to be an effective leader, you need to develop certain skills, since leadership is a matter of skill.

Hundreds of management trainers are anxious to teach you what they claim are the central skills, with the implied promise that if you'll master them, your effectiveness with your people will go up dramatically.

If you've had much experience with such transfers, chances are that you've had some disappointing results. All too often, the half-life of the changes you are supposed to experience is short—three months, three weeks, maybe even three years. At some point you may have said to yourself, "I've got to take that course again to get my batteries recharged." Or, "They didn't tell me what to do in a situation like this." Or, "I tried to change, but the rest of the people around here are the same as ever."

What goes wrong? The answer is that skills, by themselves, are never enough.

What else is needed? Attitude. Genuine, caring feelings for your people. Because unless you are primarily concerned for their growth, even the best management techniques expertly used will backfire.

Why? Because the way we really feel about people always comes across. We cannot hide what we are. By our faces, our movements, our words, and our gestures, we reveal ourselves. This is true no matter how skillful we think we are at "impression management."

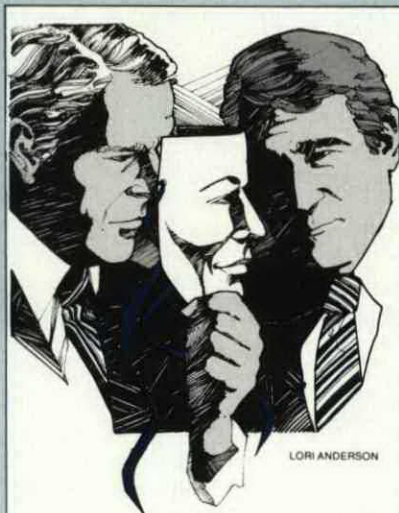
Some managers have been led to believe that because we always express how we really feel by our body language, gestures, tone of voice, and facial expressions, we can develop certain skills along these lines to increase our success with people. But this is another dangerous half-truth. Unless the genuinely caring attitude is there, these so-called skills are nothing but pretense. Others can see through them instantly. They may not know why they don't trust the person who employs them, but they don't. Without the right kind of attitudes, even these sophisticated techniques will backfire.

I have seen executives who do all the right things—greeting subordinates in the waiting room for scheduled interviews, shaking hands vigorously, keeping their suit coats open instead of buttoned, sitting on the same side of the desk, etc.—but have a self-seeking, self-protective, or suspicious attitude. Inevitably, when I've overheard the casual conversations of their subordinates and co-workers, I've discovered that they were always distrusted and always despised.

This true story illustrates the idea that without a caring attitude, no one can succeed over time with people.

Marcel's next-door neighbor, a man of about 40, was dying of emphysema. Though the doctors were alarmed, the man could not stop smoking. He smoked 180 cigarettes a day "and loved every one of them." He did everything he could have done to force or trap himself so that cigarettes would not be available. But he could not force himself to stop rationalizing. Always, when hard up against withdrawal from his habit, he would talk himself out of his resolution.

One evening, as the situation grew desperate, Marcel went to the sick man's home. He said, "I have decided that if you are going to stop smoking, there has got to be something in your life that you can't rationalize away when



*It's impossible to mask the way we really feel about people.*

the temptation to smoke gets too great. I've come here tonight to tell you what it is. As long as you are continuing to smoke, I am not going to be eating. When you stop smoking, I will start eating again."

"You can't do that. I won't let you."

"But don't you see? You can't stop me. So I am going to go now. And I hope you remember that I won't be eating as long as you are smoking."

Marcel departed, completely peaceful within, and remained peaceful for almost two days. But as the third day of his abstinence approached—and he told me that I could not relate the story unless I told this part—he began to wonder whether he would ever eat again. He lost faith. Imperceptibly his fasting changed from being an act of love to an attempt to get his friend to stop smoking. There is a profound difference between these two attitudes. Whereas he could not have failed in the first kind of act, as he entered into the

second he began to despair. For a while, the essential ingredient was missing. He had to struggle to stop worrying about himself and regain the peace he had enjoyed.

At night after the third day, the sick man's wife appeared at his living room door with a large strawberry cream pie. Marcel's heart sank; he feared his friend had ignored or forgotten about what he had said. But the woman told him to call her husband, who happily announced, "It's all right. You can eat the pie."

I told that story once to a group of educators. After my address, a woman in the audience approached me and said, "That story was very inspirational. My children don't help at home as they should. For example, on Sunday, after I have worked hard to prepare a fine meal, they take off to do their own thing. I have to chase and badger them to get them to help clean up, but by the time I get one rounded up the others are gone. I think I will tell them that as long as they won't do their part, I won't be eating."

It won't surprise you to learn of the telephone report I got from her a week later. "It just doesn't work with my kids. I went without while they ate. When they asked why I wasn't putting food on my plate, I told them, 'As long as you aren't going to help me clean up the kitchen on Sunday, I'm not going to be eating.' And do you know what they said? 'You're sure gonna be hungry, Mom.' And 'Maybe you'll lose a lot of weight.' And they were laughing when they said it."

The woman couldn't have missed the point of my story more completely. It wasn't what Marcel did that made his act influential. It was the attitude with which he did it. Indeed, I suspect that if he had re-encountered the smoker on the third day, when his attitude became tainted, he might have undermined his influence and jeopardized the smoker's chance of making it.

In raising children, building a marriage, helping a friend, or developing a responsible and cooperative team of workers, this truth will slay us if we do not live by it: If our hearts are not right toward others, it doesn't matter a whole lot what we do, because nothing will have a continuing positive effect. But if our hearts are right, there are many ways to be effective—many styles and skills, and even instinctive responses that will help others take responsibility and grow.

Your best leadership asset is your *humanity*. Don't suppress it.

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