CORPORATE POWER AND LIFESTYLE

**DEFINITION:** The authority to get things done; the clout to make decisions with the stroke of a pen.

**THE RULES:** True power in an organization lies with the top management decision makers—die chief executive officer (CEO), president, chief operating officer (COO), executive vice-presidents (EVP)/divisional presidents, and senior vice presidents (SrVP). Members of this group make up the senior executive level of an organization.

In addition to defining, perpetuating and safeguarding the corporate culture, this level sets the strategic direction of the company and makes policy decisions based on this direction. These decisions result in the way the company conducts business. Rarely, if ever are these decisions challenged.

Persons who hold senior level positions have historically risen through line positions—jobs with direct contact with the customer and/or product, i.e., sales, marketing and manufacturing. Senior level executives must have had bottom-line responsibility. It is virtually impossible to get a senior position running a business if you don't know how the business runs. Depending on it's culture, senior level managers may come from inside or outside the organization.

Senior level executive compensation packages are tied directly to the company's performance because these individuals have ultimate profit and loss responsibility. Compensation packages include stock options and million-dollar bonuses. For example, IBM Chairman Louis Gerstner received $12.4 mil in salary plus $4.7 mil in stock options in 1994 for turning the company around (WSJ. March 1995). In addition, executives receive perks such as housing allowances, cars/limos/drivers, entertaining budgets, lots of travel, membership in private clubs, etc.

The silent language of material possessions is strongly felt at the senior executive level. Even the most casual observer would be able to discern that these individuals are in power because they occupy extremely large corner offices, located on the top floor with a panoramic view, containing mahogany wood furniture consisting of a desk & leather chair, a meeting table which sits 6-8 people, a credenza, sofa/chair sitting area, and no paper clutter. Icons depicting the company history, tradition, sporting interests and personal performance awards will be strategically place throughout the room, along with photo of family, especially children. And the plush greenery gives you the feeling that everything is under control. A significant number of gatekeepers will be located in the outer office setting of wood-paneled rooms, high ceilings and marble floors.

**Lifestyle**

A discussion of corporate power would be incomplete if it did not include a few points about the corporate lifestyle—"the night game" of the corporate world. The enormous salaries and egos of the corporate power holders result in a elite and exclusive style of living, second only to royalty.

Many interesting facts about the lifestyle choices of senior level executives can be found in *The Wall Street Journal Book of Chief Executive Style* (WSJ Editors, 1989), including where they live, their home life, what they do with their money, common leisure pursuits, where they shop, vacation, and food and drink preferences. However this lifestyle discussion will be limited to power golf.
Power Golf
There are numerous reasons why golf is the leisure activity of CEO's, namely-exposure; bonding ritual between business leaders; opportunity to conduct quasi-business in a private and often neutral setting; opportunity to study potential business partners or subordinates; and it's gentility. Golf gets the executive outdoors, away from ringing telephones and demanding subordinates, while still satisfying the competitive nature of the corporate power players.

A possible downside to corporate power and the corporate lifestyle it affords is the time commitment. Senior level executives have a commitment to the job that goes well beyond that of a permanent middle manager. This type of commitment necessarily requires sacrifices—especially in the area of family. The degree of sacrifice is dependant upon the person.

Abuse of Power
A more far-reaching problem regarding corporate power results when it is abused. The abuse of power can occur at any level in the organization, resulting in negative behaviors such as sexual and racial harassment, unethical business practices and greed for personal gain.

Organizations who tolerate these detrimental behaviors expose themselves to the potential of weakening of their corporate culture, a negative public image and possible severe financial penalties brought on through litigation by affected parties. You must NEVER be involved in any questionable behaviors and immediately report observed abuse of company resources to management.

THE WIN: You are in a power position or in the pipeline for one.

OFFENSIVE STRATEGY:
1. Have a reputation of consistently exceeding performance expectations.
2. Be known as a risk taker,
3. Be willing to make personal sacrifices.
4. Have a personal style that the dominate power structure is comfortable with.
5. Seek out challenging assignments.
7. Always be involved in a high-visibility, extra-curricular project. Leadership in community service projects is excellent.
8. Power dress. Emulate and imitate those who are in power positions.
9. Power play. Learn to play golf or the sport of choice at your organization.
10. Stay clear of staff jobs—administration, human resources, operations, communications, investor relations, and strategic planning.
11. Before taking a job, ask what the route of mobility from the job is.
12. Speak to individuals who are in power positions in your company and ask what jobs they held prior to their current position.

DEFENSIVE STRATEGY:
1. Do not presume your lack of presence on the fast track is due to racism or sexism. Do a personal inventory of interpersonal and technical skills along with performance results. Be sure it is in line with or better yet, exceeds the fast trackers. Expand your skills.
2. Stay no more than 1 - 2 years in a staff position. Do not take 2-3 different staff jobs in a row.
   Alternate between line and staff:
3. Mend any broken relationships you may have in the company.