

Individual Actor's Perceived Power within an Organization in a Project Marketing Case

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Abstact

The paper focuses on examining how an individual actor perceives his/her own power within a project marketing organization. The phenomenon is approached through the concepts of network picture and power. Based on the empirical findings, we propose that in the early phases of the project sales process, the individual actor perceives his own power lesser than the power of others within the organization, although their interest in the project is almost equal. In addition, it is suggested that the perceived power has extensive effects on the efficiency of the project marketing organization and its dynamics. The single case study covers a large international organization producing cranes and other material handling solutions to logistic operators.

Introduction

Project business and project marketing have been an object of interest during the last two decades (e.g. Alajoutsijärvi et al., 2008; Cova and Salle, 2006; Tikkanen, Kujala and Artto, 2006). These projects, which have been defined as discontinuous, unique and complex by nature (Cova, Ghauri and Salle, 2002) are an increasingly common way to do business. Since projects are unique by nature, they are not comparable to any other projects, even for the same customer. Thus, projects can not be grouped with other projects, and therefore, the mass consumption marketing approach based on the possibility to gather individuals and organizations in homogenous segments is not reasonable (Cova, Ghauri and Salle, 2002). In contrast, in business like that, the relationships of actors and their networks become the object of focus (Ford, 1980; Ford, Håkansson and Johanson, 1986; Håkansson and Snehota, 1992).

The network perspective developed by the International Marketing and Purchasing (IMP) group enables the marketing theory, as well as marketing management, to gain a more holistic perspective of business-to-business exchange (Henneberg, Mouzas and Naudé, 2004). The research object of the network perspective is long-term relationships, their characteristics, and the dynamics of the whole network. In the context of project marketing, there are usually very complex networks including business actors and non-business actors (Cova, Ghauri and Salle, 2002). These networks are formed by the relationships of supplies, sub-suppliers, buyers, consultants, and so on. Each of these actors have their own relational and functional network position in the network (Cova, Ghauri and Salle, 2002; Haimala and Salminen, 2006). Despite their network position, the actors have their own understanding of the network. In the literature, these mental models are described by the concept network picture (Ford et al., 2002).

In this paper, we illustrate an individual actor's network picture. To be more specific, we illustrate it through one dimension of the network picture, power (in this study, perceived power). Perceived power is considered to affect the actor's decision making (Henneberg, Mouzas and Naudé, 2004) and networking (Ford and Redwood, 2005), among other. Although there exists literature concerning the concepts of network picture and power (e.g Ford et al. 2002; Kutschker, 1982), there still seems to be a lack of discussion of how individual actors perceive their own power in the project marketing context. The purpose of the study is to increase understanding of an individual actor's own perceived power within an organization in the context of project marketing. The phenomenon is approached with two research questions:

1. How is power perceived in the project marketing organization?
2. How do individual actors perceive their own power in the early phase of the project sales process?

To answer the above questions, first a understanding is built on the concept of network picture (Henneberg, Mouzas and Naudé, 2004; Ford and Redwood, 2005; Ford et al., 2002) and the methods to study perceived power (Mitchell, Angle, and Wood, 1997; Mendelow, 1981; Johnson and Scholes, 2002), as well as the concept of power (Kutschker, 1982; Zimmerling, 2005; Dahl 1957; Emmerson, 1962). Secondly, the phenomenon is elaborated through a single case-study. Perceived power is examined in a large international organization producing material handling solutions. The case project was positioned in a single business unit during the tendering and negotiation phase of a sales process with a large customer in Russia.

As a result of the analysis, the study provides an insight into how an individual actor's perceived power is understood, and which kind of effects it has on the actor's decision making, behaviour and communication. In addition, the study provides a view to the project

marketing organization's perceived power levels among the managers and directors. In the end, we make a proposition a how the actor's own perceived power within the sales process evolves. The study contributes to the discussion of the project management (Alajoutsijärvi et al., 2008; Tikkanen, Kujala and Artto, 2006), as well as to the discussion of the concepts of network picture (Henneberg, Mouzas and Naudé, 2004; Ford and Redwood, 2005) and power (Kutschker, 1982; Zimmerling, 2005).

Research on network picture

Network pictures are subjective by nature, and are the outcome of individual sense-making. They are not objectively given but socially constructed, a bounded personal interpretation of the network context, and therefore determined in a purely individual way (Gadde, Huemer and Håkansson, 2003; Mattson, 2002). According to Ford et al. (2003, p. 176) network picture refers to "the views of the network held by participants in that network". The construct of the network picture is based on the idea that there is no single and objective view of the network, on the contrary, each actor has a different picture of the extent, content and characteristics of the network. The actors formulate their network picture depending on their own experience, relationships and position in the network. In addition, the actors' network picture is affected by their problems, uncertainties and abilities and by the limits to their knowledge and understanding (Ford et al., 2003).

It is obvious the network pictures can be outlined in various forms, depending on the actor. These pictures may appear "outdated", "unrealistic" or "unfair" to the actor, however, according to Ford et al. (2003), they are the reality on which these actors will act or react. Thus, these pictures have a significant impact on the actors' networking and their reactions, as well as their decisions (Ford and Redwood, 2005). The actor's ability to achieve a certain desired outcome, especially in a situation characterized by ambiguity and uncertainty, is related to its appropriateness for the network picture (Henneberg, Mouzas and Naudé, 2004; Weick, 1995).

Henneberg, Mouzas and Naudé (2004) note that the concept of network picture is partly overlapping and interacting with a substantial number of constructs, such as the network horizon, network context, network identities, network environment, or network position (Anderson, Håkanson and Johanson, 1994; Holmen and Pedersen, 2003; Haimala and Salminen, 2006). Henneberg, Mouzas and Naudé (2004) conceptualize network pictures as a framework that contains eight interrelated dimensions (Figure 1). These dimensions are: boundaries, directionality, power, time/task, environment, focus, actors/activities/resources, and centre/periphery. Henneberg, Mouzas and Naudé propose that in order to study the network pictures in an analytical and systematic way, some or all of the dimensions should be considered.

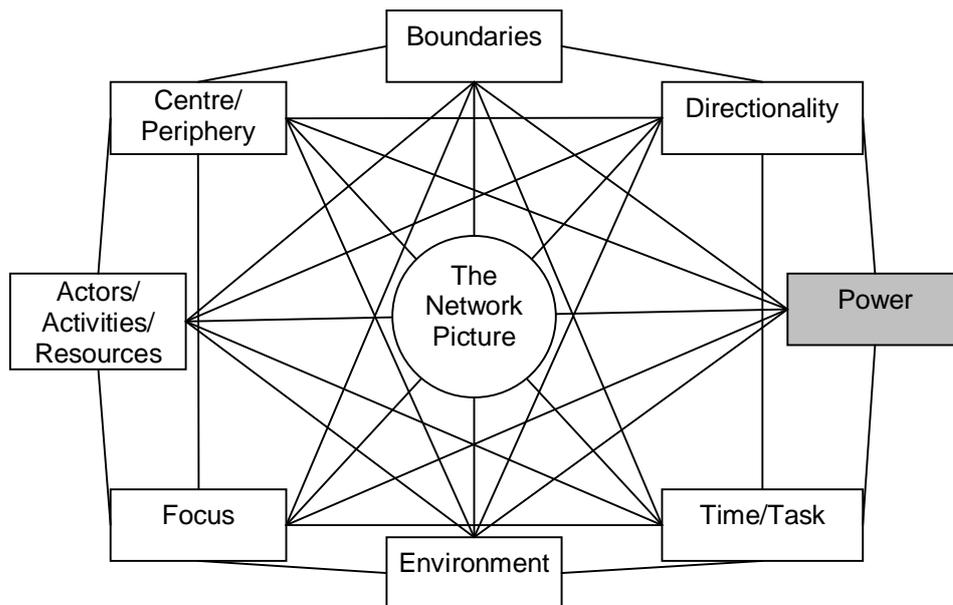


Figure 1. Building blocks for the network picture (Henneberg, Mouzas and Naudé, 2004).

The boundaries of a network picture are mainly centered upon the focal actor's value net, furthermore includes other external sources of influence (Henneberg, Mouzas and Naudé, 2004). Thus, the notion of boundaries is partly overlapping with the concept of network horizon (Holmen and Pedersen, 2003). *The centre/periphery* refers the focal actor, which can be for example a person, company, relationship or central network of highly integrated companies. *The actors/activities/resources* (Håkansson and Johanson, 1992) are the basic blocks through which the network picture is implicitly incorporated. *The focus* block gives two alternatives, an entity-related perspective (sets of connected actors) and a connectivity-related perspective (sets of connected relationships between firms). Basically, the block refers to the main ontological property of the actors in the network picture (Henneberg, Mouzas and Naudé, 2004).

The environment refers to an entity whose position lies outside the boundary, but whose role can influence the outcome of the network picture (Henneberg, Mouzas and Naudé, 2004). *The time/task* block defines whether the relationship aims to a short-term one-off commercial task, or at the other extreme, to a long-term relationship. *The directionality* refers to the direction of the relationship, or possible multi-directionality. In addition, directionality refers to the interdependence of a relationship and its quality.

Relationships are tempered by the relative *power* of the parties involved (Håkansson and Gadde, 1992), and thus the network picture involves the power building block indicating the extent of independence and dependence. In the present study, an individual actor's network picture of the organization's project marketing network is studied through the building block power (darkened in Figure 1) in the context of project marketing. The concept of power is introduced more thoroughly below, but before that the framework (the power/interest matrix) utilized to study the individual actor's perceived power is introduced.

Power/interest matrix

There exist various ways and techniques to classify actors (Gregory, 2007). Mitchell, Angle, and Wood (1997) divide actors to classes by using the attributes of power, legitimacy, and urgency. Power means the actor's power to influence the organization, legitimacy stands for the actor's relationship with the firm, and urgency means the actor's claim on the

organization. This, “the stakeholder salience”, framework indicates whether an actor who possesses one or more of the attributes is more salient for the firm.

Mendelow (1981) has introduced a model of environmental scanning in the context of the stakeholder concept. The model classifies the stakeholders by two dimensions, the dynamism of the environment, and the power of the stakeholder relative to organization. Dynamism ranges from static to dynamic, and power ranges from low to high. Mendelow’s model is based on the idea that the basis on which stakeholders possess power relative to an organization is liable to change, depending on the impact which the stakeholders’ environment has on the stakeholders’ basis of power.

Johnson and Scholes (2002) have adapted Mendelow’s (1981) model and changed the dimension of dynamism to the measure of interest. The power/interest matrix classifies the actors in relation to the power they hold and the extent to which they are likely to show interest. Thus formed, the power/interest matrix offers a way to group actors and manage them. The power/interest matrix gives an opportunity to compare whether the actual levels of power and interest of actors properly reflect the corporate governance framework. In addition, the matrix can be used to identify the potential key blockers and facilitators of a strategy (Johnson, Scholes and Whittington, 2006). Furthermore, the power/interest matrix assists in repositioning of actors and maintaining the levels of interest and power. Figure 2 illustrates the power/interest matrix.

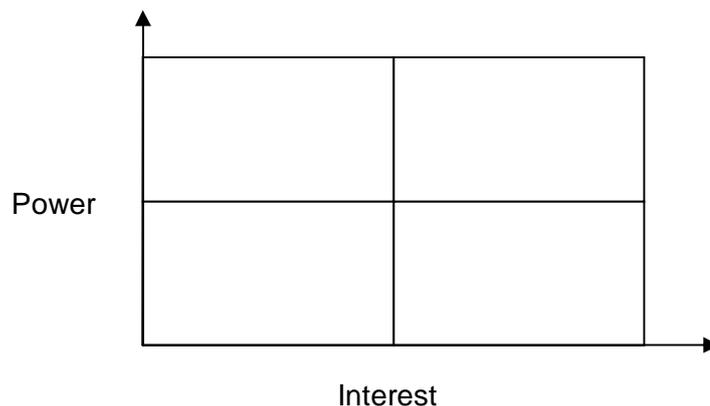


Figure 2. The power/interest matrix (Johnson and Scholes, 2002).

Many successful studies have been conducted of the utilization of the power/interest matrix (Aaltonen, Kujala and Oijala, 2008; Dutta and Burgess, 2003; Gregory, 2007; Johnson and Scholes, 2002; Olander and Landin, 2005). For example, Olander and Landin (2005) have utilized the power/interest matrix along with a method of stakeholder mapping in the context of project management, to identify actors and their influence on studied projects. Dutta and Burgess (2003) have utilized the power/interest matrix to identify and classify actors in the context of an information system project. The matrix has also been used to form communication strategies when developing corporate brands (Gregory, 2007). It can be concluded that the power/interest matrix can be used by many means and in distinct contexts. In the present study, the power/interest matrix is utilized to expose an individual actor’s own perceived power in the context of a project marketing case. Before that the dimensions of the matrix are introduced.

Concept of power

The concept of power is multidimensional and complex, and therefore a closer look at the concept needs to be taken. However a word of warning is in place; as early as forty years ago, Dahrendorf (1969) noted about the concept of power that:

“The concept of power and authority are very complex ones. Whoever uses them is likely to be accused of lack of precision and of clarity to the extent that he tries to define them exhaustively.” (Dahrendorf, 1969, p. 7)

The concept of power is a problematic concept (Zimmerling, 2005), but still the purpose of this paper is to define or carry out an analysis of the concept. There are various more thoroughly made studies about the concept, such as Kutschker's (1982) study about power and dependence in industrial marketing, as well as Roome and Wijen's (2005) study about stakeholder power and organizational learning in corporate environmental management. In addition, it has to be noted that there are extensive discussions about the concept of power in a wide range of science, such as in the fields of management, political science, social psychology and sociology (e.g. Langer and Keltner, 2007; Anderson and Galinsky, 2006).

One of the early researchers of the concept of power, Dahl (1957), defines it as the determination of the behaviour of one social unit by another. Simply, the idea is that A has power over B to the extent that he can get B to do something that B would not do otherwise. Later, it has been specified that the actor has to have an object over which it has power (Emmerson, 1962). Lasswell and Kaplan (1952) specify the concept further by adding “in such and such particulars (the scope of power)”. Views on the determinants of power are polarized in two groups: individualistic (motivation or traits to acquire power) and relational (influence that one party has over another) (Wolfe and McGinn, 2005).

Since the concept of power is multidimensional and complex, these dimensions should be studied to understand the concept widely enough. Kutschker (1982) identifies eight dimensions of power: first, the base of power refers to the resources that an actor can use to influence another actor's behavior. The means of power refer to the activities by which an actor transforms his inert resources for actually influencing another actor's behavior. The scope of power is the extent of specific actions, which an actor can get a second actor to perform by using his means of power (Harsanyi, 1962). The fourth dimension of power is the extension of power (Dahl, 1957). The dimension refers to the set of companies over which an actor has power. The next dimension is the cost of power, and according to Kutschker (1982), it includes the costs of the acquisition of resources and securing the opportunity to carry out an influence attempt. The amount of power is “the net increase in the probability of B's actually performing some specific action X, due to A's using his means of power against B” (Harsanyi, 1962). The seventh dimension, the strength of power, is closely related to the amount of power dimension. It refers to the opportunity costs to B of withstanding A's attempts to influence his behavior. The last dimension is the time elasticity of power, which refers to an actor's ability to change his relationship so that it withstands another actor's power better (Kutschker, 1982).

Power is a multidimensional concept, and the sources of power are multiple as well. According to Johnson and Scholes (2002), there are a variety of different sources of power besides the hierarchy (formal power), such as influence (informal power, for example charisma, leadership), control of strategic resources (for example strategic products), possession of knowledge and skills (for example computer specialist), control of the environment (for example negotiating skills), and involvement in strategy implementation (for example by exercising discretion). Since the variety of different sources of power is substantial, it is useful to identify the indicators of power. Johnson and Scholes (2002) have identified four useful indicators of power: the status of the individual or group (such as job

grade and reputation); the claim on resources (such as budget size); representation in powerful positions; and symbols of power (such as office size or use of titles and names).

When discussing the concept of power, it has to be noted that the concept has several dimensions to study, for example participation power, position power, and perceived power (Ahituv and Carmi, 2007). The concept of perceived power is a subjective measure expressing how actors appraise their level of influence in relation to other actors (Ahituv and Carmi, 2007), and in this study, how an actor appraises his own level of influence in relation to other actors. As it can be seen, the concepts of power and influence are closely related, and have even been compared to Siamese twins (Zimmerling, 2005). When defining the concept of influence, the power concept is also involved, and vice versa.

Ahituv and Carmi (2007) have studied the relationship of power and information in organizations, and found that there is a clear relation between information and power. In other words, the amount of information increases the amount of power. The finding supports Johnson and Scholes's (2002) suggestion about knowledge as a source of power. Van Den Bulte and Wuyts (2007) remark that the actors who have a more accurate mental picture of the overall advice network are rated as more powerful by others in the organization. Thus, the knowledge of the advice network is related also to the perceived power. In addition, Ahituv and Carmi (2007) found that the type and size of the organizational sub-unit affects perceived power. On the other hand, the nature of the organization's activities and the number of employees was not seen to affect the perceived power.

There is also discussion about the power of a single person in the literature (e.g. Roome and Wijen, 2005) and also the power of companies (e.g. Ford et al., 2002). In addition, there is also discussion about the power in the context of projects (e.g. Aaltonen, Kujala and Oijala, 2008; Vaaland and Håkansson, 2003), but there still seems to be a lack of discussion about the individual actor's perceived power in the project marketing context (Cove, Ghauri and Salle, 2002) and what impacts perceived power has on an organization's project marketing network. In the present study, perceived power is understood as the power that an actor perceives to have against other actors in the project marketing organization and its events.

Concept of interest

The concept of interest can be defined in various ways, and it is highly context dependent. Thus, we will not concentrate much on introducing the scientific discussion behind the concept. However, Johnson and Scholes (2002) define the level of interest as how interested each actor is to impress his expectations on the organization's purposes and choice of strategies. In other words, it means the extent to which an actor shows his interest in supporting or opposing a particular strategy. Gregory (2007) simply defines the level of interest as the interest that an actor may have in an issue. In this study, interest means an actor's interest to the purposes and choices of strategies of the studied project.

Research setting

Despite the fact that there are an extensive number of studies concerning power, as well as studies concerning network pictures, these studies are substantially fragmented and the studied phenomenon in the specific contexts stays still quite under researched. Thus, there is limited prior knowledge of an individual actor's perceived power within an organization during project marketing. Hence, the case study methodology was selected as the main research approach for the study (Yin, 2008; Eisenhardt, 1989). The study is a single case study focusing on a project marketing case in a company. The study is based on the former study of project marketing case and some of its results (see Ryyänen et al., 2008a; Ryyänen et

al., 2008b). The purpose of the present study is to carry on a part of the former study and deepen and utilize some of its results and data.

The study uses mostly qualitative methodology, although it has some quantitative aspects. The data has been is collected through personal interviews and enquiry. Interviews during the former study (n = 10) and some parts of the enquiry, as well as social network analysis of the case network has been classified as secondary data. In addition, internal documents and archival organizational data have been used as secondary data. The primary data contains 6 personal interviews conducted with managers in the case company. The interviewees were selected by the results of the former study and by the preliminary findings of the data. All respondents were involved in tasks related to project marketing during the studied case project. The interviews lasted from forty to seventy minutes and they were recorded, and in addition field notes were made.

An essential part of the study is formed around the data from the enquiry in the former study, where the persons to whom the enquiry was sent, were selected through studying approximately 300 emails, concerning the case and sent during it. The emails exposed 39 the focal company’s actors. An enquiry was sent to 36 actors, who were identified as relevant for the studied case project. Of the 36 actors, 23 answered, making the answer rate 63.9 per cent. As a clarification of the research data collection, Figure 3 illustrates which part of the data has been gathered and utilized in the former study and which part is gathered and utilized in the present study.

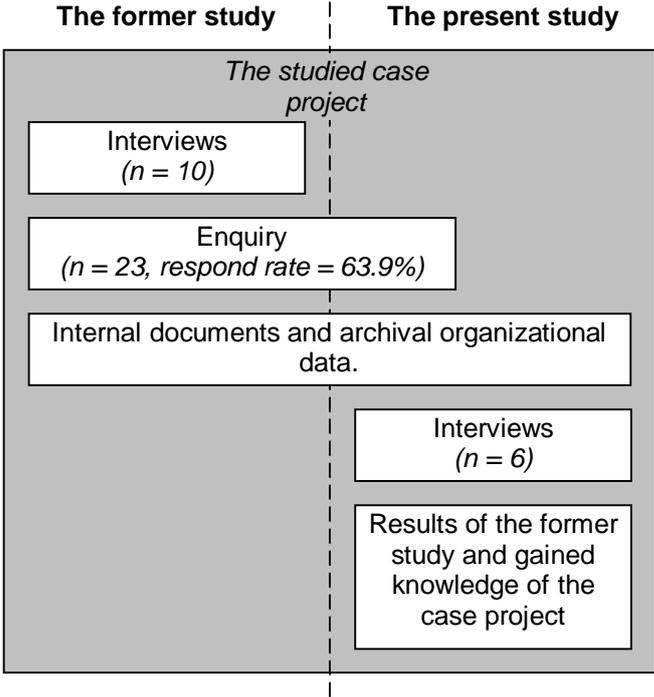


Figure 3. Distribution of the data between the former study and the present study.

The respondents of the enquiry were among others asked to name eight persons in the focal company with whom they had interacted most during the studied case. After that, the respondents were asked to position themselves and the named person in the power/interest matrix. The interviews for the present study were made to deepen the understanding of the studied phenomenon. Appendix 1 provides an overview of the respondents to the enquiry and the persons which were named in the enquiry, as well as the interviewed persons during the present study.

Focal company

The studied case and the focal company were selected to represent a project marketing situation involving a large number of personal level actors. Furthermore, there was good access to the data. The focal company is a large international company producing cranes and other material handling equipment for logistics operators, such as ports, harbors, shipyards, and the offshore industry. Besides developing innovating technologies, the company sets high emphasis on delivering qualified and consistent service to its customers. When selling to a new customer, the sales process can take from somewhat over a year to several years. Figure 4 depicts the sales process of the focal company. The model is the focal company's view of their sales process.

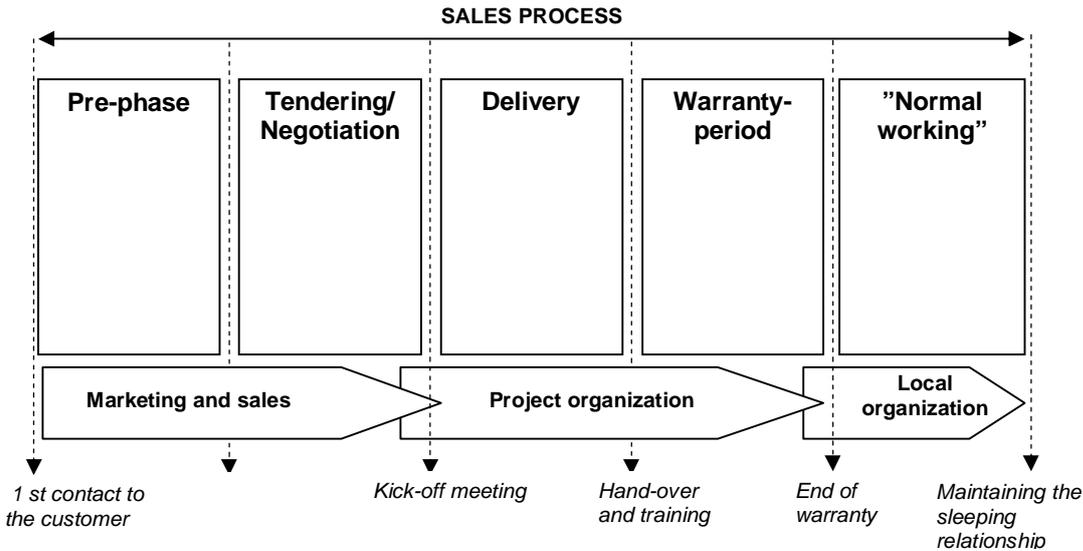


Figure 4. The focal company's sales process.

Case project description

In the case project, the focal company has an incipient customer relationship with company Beta. Beta is one of the largest logistic companies in Russia, with operations in Russia and Ukraine. Concerning the sales process of the case, Beta has four container terminal sites and one logistics terminal site. The logistics terminal and three container terminals are located in Russia, and one container terminal is located in Ukraine. The headquarters of Beta is located in Moscow. The headquarters of the focal company is located in Finland, and the regional offices concerning this case, in Russia and Ukraine. During the case there was also a reference visit to another customer of the focal company in Spain. In the focal company this case is positioned in the Ports business unit, and the East Europe market area organization is also involved. The enquiry concerning the case was sent to the focal company's internal actor at the end of June 2008, and the enquiry concerned the time from the end of August 2007 to the end of May 2008. The timeframe concerns the early phase of the sales process from the end of the pre-phase to the tendering and negotiation phase (see Figure 4).

Findings

The analysis of the data of the present study was started straight away after the enquiry was considered to be closed. The respondents' answers to the power/interest matrix were analyzed and an average answer was formed (see Figure 5). The interviews were first

listened on the tapes and read through carefully to get a general understanding of how the managers perceived the concept of power and perceived power, as well as their thoughts about the formed average answer to the power/interest matrix, which was shown to them at the end of the interview. In the content analysis of the interviews, the results were categorized to the relevant groups. At the end, the results were compared to the literature, which made it possible to get a profound understanding of the results. The analysis of the data suggests that there are several factors affecting an individual actor's perceived power. In addition, the study provides an insight into the perceived power balance of the project marketing case through the power/interest matrix. These findings of the data are introduced below.

Concept of power

The first finding of the study is that the informants perceive the concept of power substantially in the same way as described in the literature (Dahl, 1957; Emmerson, 1962). Representatives of the focal company stated the following when they were asked to describe what the concept of power generally brings to their minds:

“Power is something like, how you can influence other persons and organizations”

“To be able to make people act as you have indented and come along with your interests”

An individual actor's power in the context of project marketing

The interviewed persons seemed to have a common view of the sources of power with each other and the literature (Johnson and Scholes, 2002). The most referred source of power was the possession of knowledge and skills, after the most obvious one, the hierarchy. According to some informants, experience is a substantial source of knowledge, but it was not seen to correlate invariably with the age of a person. Control of the environment skills, such as negotiating skills were also perceived as an important source of power. Especially negotiation and communication skills were considered important when a young or a new person enters the company or the project organization. In addition, self confidence and steadyness were seen as important sources of power. Furthermore, personal drive was seen to be an important feature to increase power in the long run.

Hierarchy, and especially titles, are an interesting source of power, as they make it possible to have high hierarchical power but on the other hand for example lesser experimental power. According to the informants, titles are seen to be highly context dependent, for example North American and Asian business areas are seen to be highly title driven. One has to have a significant title when going to meet a significant titled customer. Furthermore, titles are considered to form a preliminary image of how are you taken by others. Thus, the title has its effect on the selection of the counterpart on the customer or supplier side. However, the title is perceived to be “the door opener” when starting to interact with the customer. A representative of the focal company put it into words by stating:

“A low title can be an obstacle, so that a person can not get into the negotiation table, in other words a certain level title opens the door to the negotiation ... On the other hand, at the first place the door opener is the company's name and image”

An individual actor's perceived power in the context of project marketing

An individual actor's perceived power in the context of project marketing is seen to have substantial effects on the individual's acts and reactions. Low perceived power compared to high perceived power is considered to affect a person's decision making, behavior, and communication. According to the informants, if a person does not perceive himself as having

power, he probably avoids making the decisions or it takes more time, compared to a person who perceives to have power. In addition, the quality of decisions is seen to be worse if the person's perceived power is low. However, responsibility is considered to come along with power, and thus the person with high perceived power and responsibility is perceived to consider his decisions more. Under these circumstances, risk-taking with high perceived power and responsibility is considered to be more difficult. At the same time, individual differences are perceived to affect a person's decision making despite the perceived power level. A representative in the focal company described thus by stating:

"There are individuals who want to use more power than they really have, but also testing their limits. On the other hand, there are individuals who do not have the courage to use power, although they have it, because they are afraid it and its consequences"

A person's behavior is also considered to be affected by his perceived power level. According to the interviewees, a person with high perceived power is more selfconfident and straightforward his actions. In addition, low perceived power is seen to come across through a person's body language, although the person attempts to hide it. On the other hand, the representatives noted that if a person perceives that his power is substantial and obvious, his behavior is natural and smooth, and that is considered to lead to a charismatic character.

Perceived power was considered without exception to affect a person's communication, for example his communication methods. According to the informants, the need for communication is greater when the perceived power is low. However, high amount of communication is not perceived to be a precondition for power in a well functioning organization. The informants reported that high perceived power is considered to make it easier to communicate about negative issues. Additionally, communication is considered to be more persuasive by nature, when the perceived power is low. Meanwhile, when the perceived power is high, communication is considered to be more determining and confident. Furthermore, high perceived power is considered to have an influence on the need of explaining the choices made.

According to the interviews, communication methods are considered to vary depending on the person's perceived power level. If a person has a high perceived power level, he is considered to prefer more intimate methods, like face-to-face or phone, as the communication method. On the other hand, a person with low power is perceived to prefer easier methods like emails, although the need for communication is considered to be greater. However, as an interviewed person said, a more powerful person can have so much to do that he does not have time for a face-to-face conversation or phone call every time, hence the person uses the fastest way, which is considered to be email. Thus, the genuine preferred communication method is hidden behind the haste.

Perhaps the most interesting finding came out of the data of the enquiry. According to the data, it seems that on average, the studied individual actors perceived their own power in the project marketing network lesser than the other actors` power in the early phase of the sales process, although their interest to the project was equal to that of the others. Figure 5 depicts the average responds to the power/interest matrix in the enquiry. The letter N in the figure refers the number of named persons in the enquiry. For example, seventeen respondents named at least Person 1, and four respondents named eight persons (Person 8).

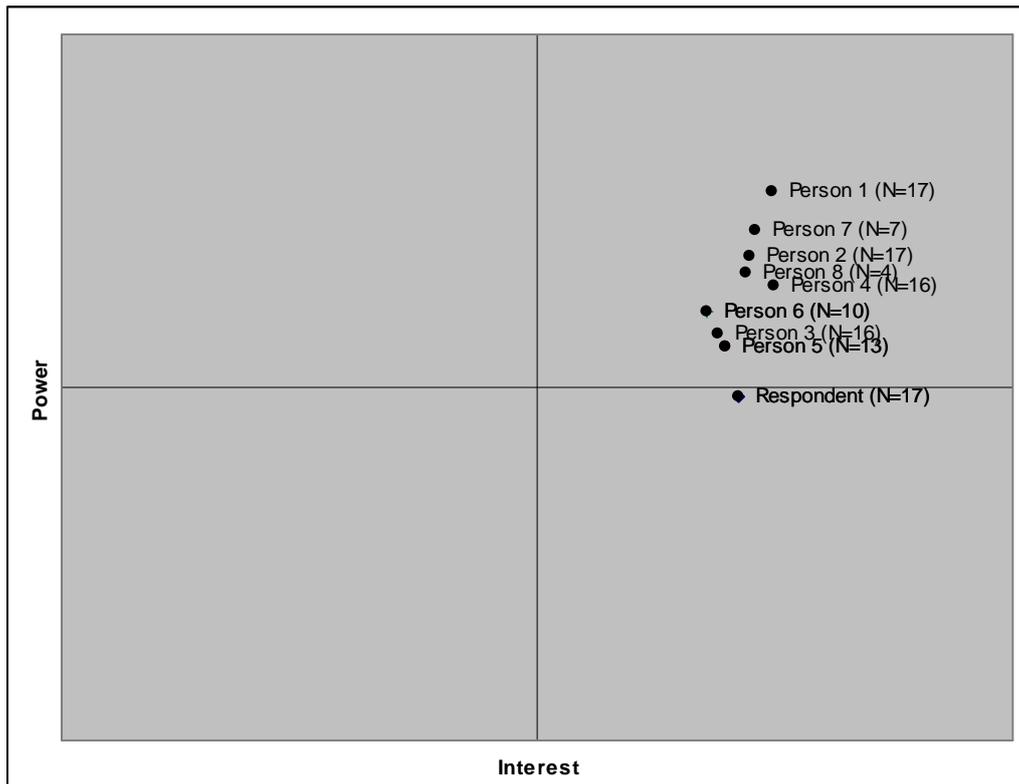


Figure 5. Average responds to the power/interest matrix.

The interviewed persons were asked to reveal their motives for having placed themselves and their named persons like they did. Some of them had used the perceived hierarchical structure when positioning persons to the power dimension of the matrix. In addition, there was a person who had come to the project just before the enquiry was sent. Thus, it was natural for this person to place himself on the lower power level. It is notable that most of the interviewed persons said that if they were asked now to position themselves on the matrix, they would position their power level higher. Basically it can be said that the interviewed persons had understood the diversity of the concept of power in their answers.

Discussion

Referring to the findings of the interviews and the literature, low perceived power has many effects, for example on people's decision making (Henneberg, Mouzas and Naude, 2004) and communication, as well as their behavior. In addition, the ability to bring about the outcomes that an actor desires depends on the power that the actor possesses (Aaltonen, Kujala and Oijala, 2008) or knows to possess. Additionally, perceived power constructs an actor's network picture, which has a significant impact on the actor's networking and their reactions, as well as their decision making (Ford and Redwood, 2005). The findings in the literature are very much the same as the ones that came out in the interviews. Thus, it can be said that there is consistent understanding of the effects of perceived power related to the literature in the studied organization.

According to the power/interest matrix (Figure 5), it seems that the respondents' perceived power level was low, especially compared to other actors in the case. This finding can be worrying, as perceived power has substantial effects on, among others, a person's decision making, behavior, and communication, as well his network picture. The next step is logically to discuss the reasons why actors perceive their own power lower than others. First, it is notable that among the 17 respondent, there were 7 director level informants, 8 manager

level informants, 2 chief electrical engineers, and 1 engineer. Thus, the graph in Figure 5 can not be explained by a hierarchically low level of power. On the other hand, the respondents' and their named persons' interest levels seems to be high. This is an expected result, and again expresses that the actors responding to the enquiry and their named persons' are valid concerning the particular case project.

According to the informants, an explaining factor is culture. Finnish persons are perceived to be modest. Thus, the persons have not probably placed themselves in the matrix as high as they really perceive themselves to be. Another explaining factor is that the project was in a very early phase (tendering and negotiation) and the uncertainty was high when the enquiry was made. Thus, the respondents may not have perceived that their power was high. On the other hand, there was an earlier customer relationship with the same customer before the case, and there was almost a year of interaction with the customer concerning the case before the enquiry was sent. Thus, the uncertainty in the early phase of the relationship had to be reduced already. However, almost all the interviewed persons stated that they would place themselves higher to the power dimension now when the sales process had proceeded to the delivery phase. Thus, it can be concluded that the perceived power increases within the sales process. In Figure 6 we present the development of the actor's own perceived power within the sales process of the focal company. The dashed line in Figure 6 illustrates the phases not studied in this study.

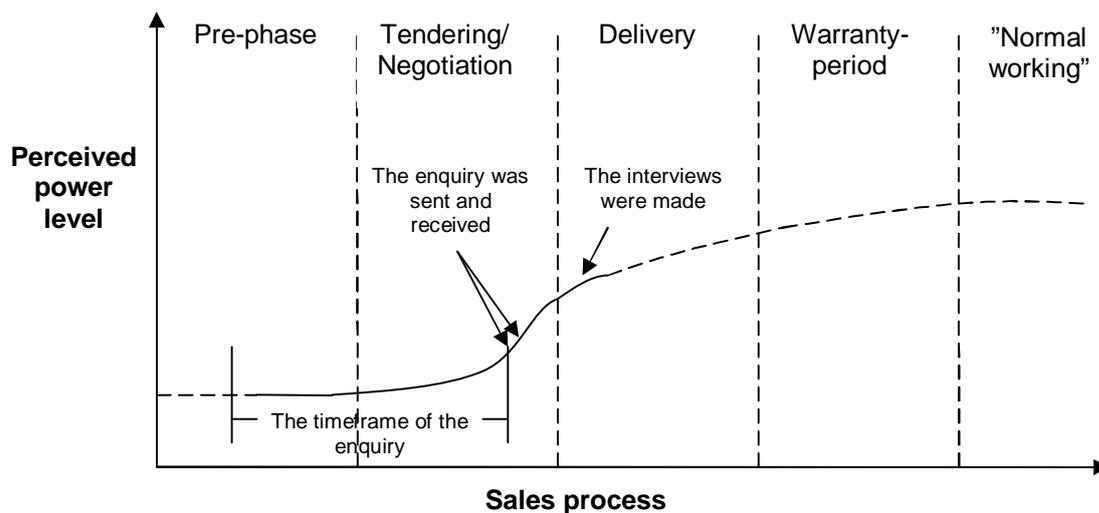


Figure 6. The development of the actor's own perceived power within the sales process.

Conclusions

In this study, we reviewed the existing literature on the network picture and the concept of power. Furthermore, we suggested that an individual actor's own perceived power has extensive effects on the actor's decision making, behavior, and communication. In addition most of sources of power in the literature (Johnson, Scholes and Whittington, 2006) were verified by the interviewed persons. Perhaps the most interesting finding was that on average the individual actors perceive their own power in the project marketing network as lesser than other actors' power within the early phase of the sales process, although their interest in the project is equal to that of others. Thus, considering the hierarchical level of the respondents in the organization, the result is a matter of concern, because efficiency does not seem to be at the optimal level within the early phase of the sales process.

Based on our empirical findings, we suggest that an organization operating in project based business markets should observe, support, and build their employees' perceived power level especially in the early phase of the sales process. Thus, the project marketing network would operate in an optimal way and the employees' acts (e.g. decision making, behavior, and communication) would be based on their actual power level and more realistically formed network pictures. Supporting and building an actor's perceived power is not an easy task. Besides that, an actor's role fluctuates much in the project organization externally and internally (Alajoutsijärvi et al., 2008), and thus it is an important task for managers to recognize and manage these roles and the powers of these roles. According to this, every actor in the project marketing organization does not have to have high power on even perceived power, it all depends on the role that the actor has.

From the theoretical perspective, we found that the power/interest matrix (Mendelow, 1981; Johnson, Scholes and Whittington, 2006) is a valid framework to study the perceived power within organizations. A challenge when using the matrix is obviously how to give introductory understanding of the concepts to the respondents so that their answer would be as valid as possible. In addition, we combined the power/interest matrix (Johnson, Scholes and Whittington, 2006) use successfully with Henneberg, Mouzas and Naudé's (2004) model of network picture, focusing on one of its dimensions. The study suggests that the network picture, studied through the concept of power, has a substantial meaning to an organization's efficiency. Finally, we outlined the development of the actor's own perceived power within the sales process, which gives a base for further studies. In addition, we contributed to the discussion of project management (e.g. Artto and Wikström, 2005) and project marketing (e.g. Cova, Mazet and Salle, 1996), by making a suggestion on how the perceived power of an actor affects the project organization's dynamics.

Managerial implications

From the managerial perspective, the study provides managers with an insight into the development of an individual actor's perceived power within the sales process. According to the data, it seems that individual actors perceive their own power level as lesser than others, especially in the early phase of the project sales process. Thus, the need for support and building an individual actor's perceived power level is the highest in the beginning of the sales process. On the other hand, since uncertainty is natural in the beginning of the project sales process, managers need to observe and take perceived power under consideration.

Perceived power has a wide range of effects on the person's acts, such as decision making, behavior, and communication, and thus support is extremely important. Decision making was seen to be avoided and taking longer time when the perceived power was low. Furthermore, a person's behavior is affected by the perceived power. People are more self-confident when they perceive that they have substantial power. This is an important issue, especially when interacting with a customer. In addition, the amount of communication and communication methods are affected by the perceived power.

Although perceived power is not easy to measure in organizations, the study gives an alternative model to scan the perceived power of the employees. One way to observe and support, as well as build perceived power is to use superior-subordinate discussions. In these discussions the employee can express his perceived power. On the other hand, perceived power can be a sensitive issue to discuss, and in that case parallel methods should be developed to measure and support the perceived power of an individual actor.

Limitations and future directions

The proposed conclusions must be viewed with care, as they are based on a single case study involving a specific firm with specific market characteristics. Thus, the results are more

relevant for organizations having comparable market conditions and characteristics. In addition, it has to be noted that the number of respondents and the interviewed informants was relatively low. However, there exists quite an extensive depiction of the case in a previous study. Thus, the understanding of the case is extensive. Under these circumstances, we believe that organizations with the same market conditions and characteristics can share the findings and conclusions of our study.

Although the study offers a wide range of findings and conclusions, there are still avenues for future research. A first future direction could be to find more evidence of the individual actor's low perceived power in the early phases of the project sales process. The phenomenon should be studied with other markets and organizations. Secondly, the present study focused only on the early phases of the sales process, and thus the individual actor's own perceived power should be studied also in the later phases of the sales process.

A third future direction could be to study how an actor's own perceived power changes in relation to the perceived power of others (see Figure 5) within the project sales process. The present study suggested that in the early phases, the actors perceived that their power was lesser than that of others in the organization. If the underestimation of own power continues along the sales process among the managers and directors, the result could be a matter of concern. Finally, especially for managers, it would be interesting to study what could be the actions to strengthen and manage the perceived power of managers in the early phases of the sales process. As a conclusion, it could be said that the research questions were answered successfully, and the present study has offered an alternative way to evaluate and study the individual actor's own perceived power in relation to others in a project marketing organization.

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Appendix 1. Overview of the informants.

Nr.	Informant	Enquiry respondent	Person came out of the enquiry	Interviewed person during the present study	Interviewed person during the former study
1	Director, Unit 3	x	x		
2	Controller, Market Area 1		x		
3	Production Manager, Unit 2		x		
4	Sales Manager, Sales & Marketing	x	x		x
5	Chief Electrical Engineer, Unit 3	x	x		
6	Manager, Service	x	x		
7	Sales Manager, Sales & Marketing	x	x	x	
8	General Director, Market Area 1		x		
9	Chief Electrical Engineer, Unit 4	x	x		
10	Director, Line 2	x	x		
11	Legal Counsel, Top Management		x		
12	Mechanical designer, Unit 4	x	x		
13	Manager, Market Area 1		x		
14	Manager, Market Area 1		x		
15	Director, Other	x	x		
16	Chief El. Engineer, Unit 3		x		
17	Software Engineer, Unit 3		x		
18	Director, Unit 1	x	x	x	
19	Project Manager, Unit 3	x	x		
20	Sales Manager, Sales & Marketing	x	x	x	x
21	Director, Line 1		x		x
22	Sales Manager, Sales & Marketing	x	x		
23	Chief Engineer, Unit 3	x	x		
24	Director, Production, Unit 6		x		
25	Electrical /Automation Engineer, Unit 3		x		
26	Project Manager, Unit 1		x		
27	Director, Ports Management	x	x		
28	Managing Director, Unit 2	x	x	x	
29	President, New Equipment Business Areas, Top Management		x		
30	Project Secretary, Unit 3	x	x		
31	President & CEO, Top Management		x		
32	Chief El. Engineer, Unit 1		x		
33	President, Market Area 1		x		
34	Trade Operations Officer, Unit 6		x		
35	Director, Service		x		
36	Area director, Market Area 1	x	x		x
38	Controller, Ports Management		x		
39	Sales Manager, Sales & Marketing	x	x		
40	Mechanical engineer, Unit 4	x	x		
41	Chief Mechanical Engineer, Unit 1		x		
42	Sales Director, Sales & Marketing	x	x	x	x
43	Product Engineer, Unit 3		x		
44	Director, Unit 4		x		
45	Project Manager, Unit 3	x	x	x	x
46	Project Manager, Unit 3		x		
47	Sales Manger, Market Area 1	x	x		
48	Chief of Technical department, Market Area 1		x		
49	Engineering Manager, Unit 7		x		
50	Supervisor, Unit 3		x		
51	IT Specialist, Other				x
52	Director, Marketing and Business Development, Sales & Marketing				x
53	Subcontracting Engineer, Unit 3		x		