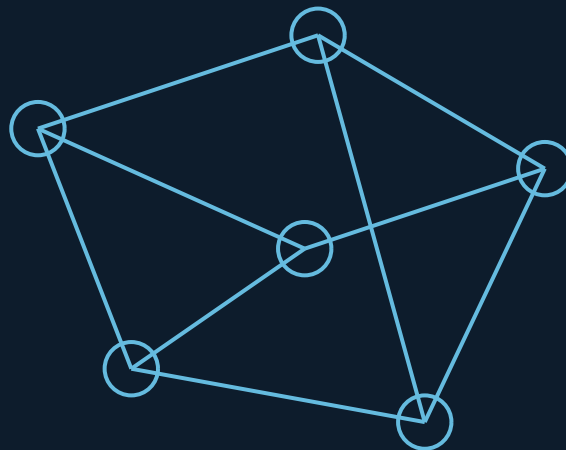


WHERE DECISIONS ARE REALLY COORDINATED

Why Organizational Charts Explain Authority... But Rarely Explain How Decisions Actually Move



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Throughout my executive career, I have repeatedly witnessed the same scene. A strategic meeting begins. Different opinions are expressed. Questions are raised. Alternatives are debated. Eventually, a decision is approved. Yet many people leave the room with exactly the same quiet impression: **the decision had already been coordinated**. Not formally, but organizationally. The meeting was real. The discussion was real. The approval was real. Yet the alignment that made the decision possible had been built somewhere else.

For years I assumed these situations reflected isolated cases of organizational politics. Eventually, I realized they reflected something much more fundamental. **Organizational charts explain where authority resides. They rarely explain how organizations actually coordinate themselves.**

As organizations become more complex, hierarchy becomes increasingly necessary—but also increasingly insufficient. No organizational chart, regardless of how sophisticated, can coordinate every interaction, every decision and every competing priority across a complex enterprise. Organizations therefore develop additional mechanisms through which they coordinate collective action.

Over time, I have found it useful to think about these mechanisms through **three complementary lenses**:

Coordination Mechanism Fundamental Question

Authority Who has the legitimate authority to decide?

Trust Who do people genuinely want to work with?

Influence Who can actually make this happen?

Authority provides legitimacy. Trust enables collaboration. Influence exists to optimize organizational alignment.

Every complex organization depends on all three. Authority determines where decisions are authorized. Trust determines how people collaborate. Influence often determines whether decisions actually move.

Authority is visible. Trust is usually observable. Influence is different.

Influence may be explicit or implicit, direct or indirect, highly visible or almost imperceptible. It may emerge through expertise, credibility, reputation, relationships, sponsorship, negotiation, informal conversations long before a meeting begins or simply through the confidence others place in someone's judgment. Its form constantly changes. Its defining question does not:

Who can actually make this happen?

Every executive has experienced the moment. Someone speaks. No formal authority has changed. No new information has appeared. Yet the discussion suddenly changes direction. The decision becomes almost inevitable. **That is influence.**

Far from being a problem, influence is one of the organization's greatest strengths. Organizations without influence become bureaucratic, slow and incapable of coordinating complex change. Many of the conversations that occur before important meetings are therefore not symptoms of poor governance. They are legitimate mechanisms for integrating perspectives, reducing uncertainty and building the alignment necessary for effective execution.

Influence creates relationships. Relationships create networks. Networks naturally evolve into coalitions.

Most of these coalitions are entirely healthy. They facilitate coordination, reduce friction, connect organizational silos, accelerate execution and allow organizations to move faster than formal structures alone ever could.

The existence of influence is not the problem. Nor are networks or coalitions. The problem begins when those same mechanisms gradually stop serving the organization and begin serving themselves.

That transition is remarkably subtle. Nothing structural changes. The same people remain. The same relationships remain. The same networks remain. The same influence remains. Only one thing changes: **the objective that influence is optimizing.**

Every organizational mechanism exists because it optimizes something. Authority optimizes legitimacy. Trust optimizes collaboration. Influence exists to optimize organizational alignment.

As long as influence continues asking, *"What creates the greatest value for the organization?"* it remains one of the organization's greatest competitive advantages.

But gradually the question changes:

"How do we protect our position?" "Whose budget should be preserved?" "Who should lead this initiative?" "How do we ensure our project moves forward?" "Who should be promoted?"

Nothing about the mechanism itself has changed. Only its purpose.

Politics is influence whose object of optimization has quietly changed.

When that shift occurs, relationships become instruments of coordination for particular interests. Networks become channels through which information is selectively shared. Coalitions gradually create **asymmetries of access, information and influence**—asymmetries that often determine whose ideas are heard, whose initiatives gain momentum and whose priorities ultimately shape organizational decisions.

Organizational support increasingly depends on reciprocal interests rather than organizational merit. Narratives begin competing with facts as mechanisms for shaping organizational decisions. **Access to key decision-makers becomes almost as valuable as the quality of ideas themselves.** Projects compete not only on merit but increasingly on sponsorship. Appointments reflect alliances as much as capability.

The Executive Committee still meets. Questions are still asked. Alternatives are still debated. Votes are still taken.

Yet an increasing share of the coordination has already happened elsewhere.

Ironically, very few people participating in these dynamics perceive themselves as acting politically. Most genuinely believe they are protecting what matters most to the organization. That is precisely why organizational politics is so difficult to recognize—and even harder to correct.

Organizations do not become political because influence exists. Every complex organization depends on influence. Organizations become political when influence gradually stops optimizing enterprise value and begins optimizing the interests of the individuals, functions or coalitions exercising it.

That distinction may appear subtle. In practice, it changes everything. Before your next Executive Committee meeting, ask yourself two questions:

Where was today's decision actually coordinated? And what was the influence behind that coordination ultimately trying to optimize?

The answers will probably reveal more about how your organization actually operates than the organizational chart ever will.

Closing Reflection

- Organizational charts explain authority. Trust explains collaboration. Influence explains how organizations transform decisions into coordinated action.
- Politics is not the existence of influence. Politics is what emerges when influence gradually ceases to serve the organization and begins serving the coalitions that exercise it.
- Leadership is therefore not about eliminating influence. Leadership is about ensuring that authority, trust and influence remain aligned behind the same objective:
the sustainable creation of enterprise value.