EXHIBIT 12.4
Sources of Leader Power

SOURCE: Adapted from French, J. R. P. and Raven, B., "The Bases of Social Power," *Studies in Social Power,* ed. D. Cartwright. Ann Arbor, MI: Institute for Social Research, 1959.

Legitimate Power   The leader with *legitimate power* has the right, or the authority, to tell others what to do; employees are obligated to comply with legitimate orders. For example, a supervisor tells an employee to remove a safety hazard, and the employee removes the hazard because he has to obey the authority of his boss. In contrast, when a staff person lacks the authority to give an order to a line manager, the staff person has no legitimate power over the manager. As you might guess, managers have more legitimate power over their direct reports than they do over their peers, bosses, and others inside or outside their organizations.[35]

Reward Power   The leader who has *reward power* influences others because she controls valued rewards; people comply with the leader's wishes in order to receive those rewards. For example, a manager works hard to achieve her performance goals to get a positive performance review and a big pay raise from her boss. On the other hand, if a company directive dictates that everyone receive the same salary increase, a leader's reward power decreases because he or she is unable to give higher raises.

Coercive Power   The leader with *coercive power* has control over punishments; people comply to avoid those punishments. For instance, a manager implements an absenteeism policy that administers disciplinary actions to offending employees. A manager has less coercive power if, say, a union contract limits her ability to punish. In general, lower-level managers have less legitimate, coercive, and reward power than do middle and higher-level managers.[36]

Referent Power   The leader with *referent power* has personal characteristics that appeal to others; people comply because of admiration, personal liking, a desire for approval, or a desire to be like the leader. For example, young, ambitious managers emulate the work habits and personal style of a successful, charismatic executive. An executive who is incompetent, disliked, and less respected has little referent power.

Expert Power   The leader who has *expert power* has certain expertise or knowledge; people comply because they believe in, can learn from, or can otherwise gain from that expertise. For example, a seasoned sales manager gives her salespeople some tips on how

to close a deal. The salespeople then alter their sales techniques because they respect the manager's expertise. However, this manager may lack expert power in other areas, such as finance; thus her salespeople may ignore her advice concerning financial matters.

People who are in a position that gives them the right to tell others what to do, who can reward and punish, who are well liked and admired, and who have expertise on which other people can draw will be powerful members of the organization.

All of these sources of power are potentially important. Although it is easy to assume that the most powerful bosses are those who have high legitimate power and control major rewards and punishments, it is important not to underestimate the more personal sources such as expert and referent powers. Additional personal sources of power that do not necessarily stem from one's position or level within an organization include access to information and the strength of one's informal network.[37]

Traditional Approaches to Understanding Leadership

LO 5

Three traditional approaches to studying leadership are the trait approach, the behavioral approach, and the situational approach.

Leader Traits

trait approach

A leadership perspective that attempts to determine the personal characteristics that great leaders share.

The **trait approach** is the oldest leadership perspective; it focuses on individual leaders and attempts to determine the personal characteristics (traits) that great leaders share. What set Margaret Thatcher, Nelson Mandela, Julius Caesar, and George Washington apart from the crowd? The trait approach assumes the existence of a leadership personality and assumes that leaders are born, not made.

From 1904 to 1948, researchers conducted more than 100 leadership trait studies.[38] At the end of that period, management scholars concluded that no particular set of traits is necessary for a person to become a successful leader. Enthusiasm for the trait approach diminished, but some research on traits continued. By the mid-1970s, a more balanced view emerged: Although no traits ensure leadership success, certain characteristics are potentially useful. The current perspective is that some some personal characteristics—many of which a person need not be born with but can strive to acquire—contribute to leader effectiveness (see Exhibit 12.5).[39]

1. *Drive.* Drive refers to a set of characteristics that reflect a high level of effort. Drive includes high need for achievement, constant striving for improvement, ambition,

EXHIBIT 12.5
Personal Attributes That Aid Leader Effectiveness