**Coercive power** is the ability to influence someone's decision making by taking something away as punishment or threatening punishment if the person does not follow instructions. It can be a severe way to get staff members to follow along with a company plan, but it can be necessary in some cases.

**Legitimate power** is power you derive from your formal position or office held in the organization's hierarchy of authority. For example, the president of a corporation has certain powers because of the office he holds in the corporation.

**Expert power** is **power** based upon employees' perception that a manager or some other member of an organization has a high level of knowledge or a specialized set of skills that other employees or members of the organization do not possess.

**Reward power** is simply the power of a manager to give some type of reward to an employee as a means to influence the employee to act. Rewards can be tangible or intangible.

**Referent power** refers to the ability of a leader to influence a follower because of the follower's loyalty, respect, friendship, admiration, affection, or a desire to gain approval.