

# Glossary

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## A

**Acquisition:** the joining of unequal partners by the process of one organisation buying another.

**Administrative management:** ordered principles that guide activities throughout an organisation.

**Administrative model of decision making:** a model that recognises the limitations of decision making in ambiguous and unclear situations when information is incomplete.

**Alienation:** negative feeling of separation of workers from the core values or purpose of an organisation.

**Analytical skills:** ability to separate a whole into its component parts for study and interpretation.

**Attraction:** making the organisation the employer of choice for potential recruits.

**Authority:** power to command or control others.

**Autonomy:** the extent of decision making authority.

## B

**Behavioural theory:** theoretical perspectives that support the view that particular behaviours separate leaders from followers.

**Branding:** name, term, or symbol given to a company, product, or service to differentiate it from others.

**Bureaucracy:** an organisational system tightly controlled through the application of strict rules, regulations, and procedures.

**Bureaucratic structure:** a tall, hierarchical arrangement of human resources and tasks based on clearly defined roles, rules, span of control, and authority.

**Business Process Improvement (BPI):**

incremental change to processes using information technology.

**Business Process Reengineering (BPR):** radical reorganisation of internal business processes.

## C

**Centralisation:** level to which decision making powers are concentrated among a few people at the top level of an organisation.

**Chain of command:** line of authority that extends from top to bottom in an organisation.

**Communications skills:** ability to connect with people through various media to achieve aims and objectives, to motivate and lead.

**Competitive advantage:** A competitive advantage is gained through the implementation of a value creating strategy by a firm, that is not simultaneously being implemented by rivals (or potential rivals).

**Conceptual skills:** problem solving by understanding complex environments.

**Consideration:** the extent to which a leader builds trust and respect of subordinates by considering their feelings.

**Consumer added value:** the organisation's ability to position a product or service better than rivals so that consumers are persuaded to recognise, buy, and value it accordingly.

**Contingencies:** key factors that reflect the situation of an organisation.

**Contingency:** something that might happen.

**Contingency theory:** that the effectiveness of groups depends on the fit between the leader's style of interactions with subordinates and the degree to which the situation bestows control on the leader.

**Control:** monitoring of activities and functions to ensure that outcomes are in line with set targets or align with plans and then acting to rectify any deviations.

**Control process:** the activity of setting performance targets, measuring and recording outcomes, and matching them against set targets or standards.

**Control system:** the chosen design and combination of elements in a control process.

**Coordination:** process of ensuring that activities occur in the correct sequence and at the right time.

**Corporate governance:** a system of control over the actions and practices of managers in organisations through an agreed set of relationships between a company's management, board, shareholders, and other stakeholders.

**Cultural awareness:** understanding of, and sensitivity to, cultural differences.

**Culture:** values, belief, and ideas that characterise individuals or groups.

**Customer relationship management:** the process of managing customer service and long-term relationships with customers.

## D

**Decentralisation:** level to which decision making powers are delegated to lower levels within an organisation.

**Diversity:** range of varied personal characteristics including age, race, gender, nationalities, religions, cultures, beliefs, values.

**Dominant culture:** a culture that reflects the core values and beliefs that are shared by the majority of an organisation's workers.

## E

**Employee relations:** the process of maintaining effective dialogue and communications with employees (or their representatives) to maintain a harmonious working relationship between staff and managers.

**Empowerment:** the delegation of a level of authority that extends the scope of workers to act autonomously from line management.

**Entrepreneur:** business person who seeks to make a profit by risk and initiative.

**Equality and fairness:** the formal and informal means of ensuring that each individual worker or potential recruit is treated with respect and dignity and that they are judged on merit and not on race, gender, age, or any other personal characteristic.

**Esprit de corps:** team spirit.

**Expectancy theory:** identified values and beliefs that motivate action.

## F

**Firm value added:** the organisation's ability to create and sustain competences that underpin competitive advantage.

**Flexible work schedules:** the ability to design work schedules that operate across a broader time dimension.

**Forecasting:** process of assessing and predicting the future.

**Formalisation:** the level to which an organisation sets formal rules, procedures, and regulations for work tasks and activities.

**Functional structure:** an arrangement of similar human resources and/or tasks grouped together into departments.

## G

**Garbage can model:** a model of decision making based on the assumption that the environment is characterised by extreme uncertainty and that responses to that environment are neither rational nor predictable.

**Generic strategy:** strategy for competitive advantage based on value adding activities that aligns most closely to the organisation's competitive environment.

**Globalisation:** the extent to which competition in one country is influenced by competition in other countries.

**Goal:** specified position the organisation seeks to attain.

**Group role:** set of behaviours a group member is expected to perform because of their position in the group.

**Growth strategy:** long-term action plan for expansion of new or existing markets and products.

## H

**HRM strategies:** ways in which the skills, experience, and expertise of employees can be matched to the long-term aims and objectives of the organisation.

**Human relations:** system of management that places emphasis on social processes in the workplace.

## I

**Information richness:** the extent to which a communication achieves a common understanding between sender and receiver.

**Initiating structure:** extent to which the leader defines his/her role and those of subordinates to achieve goals and objectives.

**Innovation:** the introduction of new ideas or methods.

**Intuition:** instinctive knowledge or insight without conscious reasoning.

## J

**Job enrichment:** the design or redesign of jobs to make them more satisfying for employees.

**Job specialisation:** type of job that requires a specific skill or skills, experience or attributes to complete them effectively.

## K

**Kaizen:** Japanese working technique for continuous improvement of processes.

## L

**Leadership:** the ability to influence a group in the attainment of goals or objectives.

**Leadership traits:** personal qualities or attributes that differentiate leaders from non-leaders.

**Learning organisation:** the ability of an organisation to absorb experience, learn from it, and utilise that learning for greater effect.

**Long term:** one year and more.

## M

**Management:** the organisation and coordination of activities to achieve stated aims and objectives.

**Marketing plan:** an outline of the specific actions to be carried out to encourage potential customers to buy the products and services for sale.

**Market segment:** that part of a market that is defined by specified characteristics.

**Mass customisation:** the development and design of added value products and/or services to meet the demand characteristics of a large number of consumers.

**Matrix structure:** an arrangement where personnel undertaking tasks report to both functional and divisional line managers.

**Medium term:** from six months to one year.

**Merger:** the joining together of two organisations to become one by the mutual consent of the majority of shareholders.

**Moral principles:** fundamental principles that underpin understanding and knowledge of what is right and wrong.

**Motivation:** the factors that encourage workers to act in ways that help achieve aims and objectives of the organisation.

**Motivators:** aspects of work that influence people to deliver superior performance.

**Multidivisional structure:** an arrangement of human resources and/or tasks grouped into products, customers, or regions.

N

**New Public Management:** market-oriented focus on public sector management.

**Non-programmed decision:** a decision that is unique to the situation and that requires a unique solution.

**Normative:** relating to an ideal standard or model. The way things should be.

O

**Objective:** clearly defined and measurable outcome to be achieved within a specified timeframe.

**Open system:** a system that interacts with the environment in which it exists.

**Operational controls:** control systems designed and implemented to support the organisation's short- to medium-term goals and objectives.

**Organisational culture:** A system of shared beliefs and values held by workers that form a dominant culture that is unique to the organisation.

**Organisational skills:** ability to coordinate resources and activities.

**Organisational structure:** the formal division of human resources and tasks as a means of managing and coordinating activities in an organisation.

**Organising:** arranging resources to achieve a stated outcome.

**Outsourcing:** arranging for a function or activity to be undertaken by an external agency rather than by those within the organisation.

P

**Paradigm:** example serving as a model.

**Permission marketing:** the process of sending marketing and promotional information to consumers with their express agreement to receive it.

**Personalisation:** the development and design of value adding products and/or services to meet the demand characteristics of individual consumers.

**Political model:** a decision making model that recognises the influence of groups with different interests, aims, and beliefs within an organisation.

**Programmed decision:** a decision that is routine and repetitive.

Q

**Quality:** output that conforms to a pre-determined set standard.

**Quality management:** the act of overseeing activities and tasks required to achieve and maintain a pre-determined level of quality. This includes creating and implementing quality planning and assurance, and quality control and improvement.

R

**Rational decision making:** decisions based on consistent choices designed to maximise economic returns.

**Recruitment:** the process of assessing candidates' suitability for employment.

**Resources:** assets available to organisations for use in the productive process such as land, labour, machinery, intellectual and creative abilities, finance.

**Retention:** implementation of activities to ensure that employees remain loyal and that their terms and conditions of employment are met.

**Rhetoric:** artificial or exaggerated use of language.

S

**Scenario:** imagined sequence of future events.

**Scientific management:** science-based approach to optimising output in a production process.

**Short term:** from one day to six months.

**Social audit:** a process that enables an organisation to assess and demonstrate its social, economic, and environmental benefits

and limitations. A measure of the extent to which an organisation matches its actions with actual commitment to agreed shared values and objectives.

**Social enterprise:** a business that trades for a social or environmental purpose.

**Socialisation:** the process of persuading individuals to behave in ways that are acceptable to a group or society.

**Span of control:** the number of employees that a manager is responsible for.

**Stakeholders:** individuals or groups who affect, or are affected by, the activities of an organisation.

**Strategic alliances:** formal agreement committing two or more firms to exchange resources to produce products or services.

**Strategic Business Unit (SBU):** an autonomous business entity within a corporate enterprise established to serve an identified external market.

**Strategic controls:** control systems designed and implemented to support the long-term aims and objectives of an organisation.

**Strategic management:** the use of theories, frameworks, models, and techniques to inform strategic thinking about the plans and actions designed to achieve long-term aims and objectives.

**Strategic options:** potential solutions to questions of how to position the organisation in relation to product and resource markets, competitors, and macroenvironmental forces.

**Strategy:** the determination of long-term aims and objectives of an organisation and the plan of action to achieve them.

**Strong culture:** a culture in which the organisation's core values and beliefs are widely and intensely shared by the majority of workers.

**Styles theories:** theoretical perspectives that support the view that it is the style of management that separates leaders from followers.

**Sub-culture:** separate and distinct mini-cultures that form among groups of workers who are separated from other workers through geographical location, function, or structure.

## T

**Technical skills:** knowledge or practical skills in specialised activities.

**Theory:** a set of principles designed to help explain a group of facts or phenomena.

**Time and motion studies:** the science of timing each action that contributes to the completion of a work task over a set period of time.

**Total Quality Management:** a method of ensuring quality that focuses on customer needs and expectations by emphasising continuous improvement.

**Transactional leadership:** leaders who guide, mentor, and motivate followers by clearly establishing roles and tasks for the achievement of the stated aims or goals.

**Transformational leadership:** leaders who inspire followers to act in ways that benefit the organisation or a wider cause other than their own self-interest.

## V

**Virtual organisation:** an organisation that uses information and communication technologies (ICTs) to coordinate activities without physical boundaries between different functions.

**Virtual team:** a team who are brought together to achieve specified aims and objectives but who are located remotely from each other and communicate via electronic media.

**Vision:** desired future state; the aspiration of the organisation.

## W

**Work design:** the method by which the work to be carried out is organised and scheduled.

**Work schedules:** detailed account of which work tasks need to be undertaken, the order in which they are to be completed, who is to undertake the tasks, and the timeframe for completion.

**Work specialisation:** the extent to which tasks and activities within an organisation are broken down into separate jobs.