## Glossary

**360-Degree Appraisal** Performance assessment of a person by the key people or groups with whom they interact. May include external people or groups such as customers

7–s Model A model for organizational analysis and dynamics including components: strategy, structure, systems, style, staff, shared values and skills

Accountability This is the ultimate responsibility which managers cannot delegate. While managers may delegate authority, they remain accountable for the decisions and actions of their subordinates

Accounting Is the recording of financial or money transactions. Accounting is the systematic recording, reporting and analysis of financial transactions of a business

Accounting Standards Rules for preparing financial statements

Act A law or piece of legislation passed by both Houses of Parliament and agreed to by the Crown, which then becomes part of statutory law (i.e. is enacted)

Actor-Observer Effect When we judge others we tend to assume that failure is due to their lack of ability rather than caused by the situation

Adaptive System In general, an adaptive system has the ability to monitor and regulate its own performance. In many cases, an adaptive system will be able to respond fully to changes in its environment by modifying its behaviour.

Adhocracy A type of organization design which is temporary, adaptive and creative, in contrast with bureaucracy which tends to be permanent, rule-driven and inflexible

Adjourning When a group disperses after goals have been met

Administrative Controls Formalized standards, rules, procedures and disciplines to ensure that the organization's controls are properly executed and enforced

Advertising A paid-for form of non-personal communication that is transmitted through mass media (television, radio, newspapers, magazines, direct mail, outdoor displays and the Internet)

**Analytical** (Job Evaluation) A method of job evaluation which involves assessing the worth of a job by dividing it into factors.

Annual Report Document detailing the business activity of a company over the previous year, and containing the three main financial statements:

Income Statement, Cash Flow Statement and Balance Sheet

Application Forms (Blanks) Usually sent out to jobseekers who respond to some kind of job advertising. The form or blank is a template for the presentation of personal information that should be relevant to the job applied for. This ensures that all candidates provide the desired range of information in the same order of presentation to facilitate comparison and preparation of a short-list for further selection procedures

Appointed Leader A leader who influences others by virtue of their position

Appraisals Appraisals rate individuals on quasi-objective criteria or standards deemed to be relevant to performance. Traditional appraisals rated individuals on a list of qualities, primarily work-related attitudes and personality traits. See also 'Performance assessment'

**Area Structure** The organization is structured according to geographical areas

Assertiveness The capacity to express our ideas, opinions or feelings openly and directly without putting down ourselves or others

Assessment Centres Centres used to provide information on candidates for jobs. They typically consist of multiple evaluations including job-related simulations, interviews and psychological tests

Asynchronous Communication The sending and receiving of messages in which there is a time delay between the sending and receiving; as opposed to synchronous communication

Attribution Theory The way in which individuals make sense of other people's behaviour through attributing characteristics to them by judging their behaviour and intentions on past knowledge and in comparison with other people they know

Auditor Professional accountant appointed by a company to prepare its annual accounts in accordance with applicable regulatory rules, and from an independent perspective

Authority The right to make particular decisions and to exercise control over resources

Automation The use of control systems (such as numerical control) and information technologies (such as CAD, CAM and robotics) reducing the need for or enhancing human intervention and leading to enhanced productivity

**Autonomous Work Groups** A work team with delegated responsibility for a defined part of an organization's activities with the freedom to organize its own resources,

pace of work and allocate responsibilities within the group

**Balance Sheet** A statement that lists the assets of a business or other organization, at some specified point in time, together with the claims against those assets

Basic Assumptions A term used by Schein to refer to the origins of values and cultural artefacts in organizations. Basic assumptions are shared and deeply embedded presuppositions about issues such as whether human beings do or should live for the moment (immediate gratification) or see their activities as a means to a future end or goal (deferred gratification)

Batch Manufacturing A type of manufacturing process where items are moved through the different manufacturing steps in groups, or batches

**Batching** The process of producing large quantities of items as a group before being transferred to the next operation

Behavioural Control A form of control based on direct personal supervision which is responsive to the particular needs of the tasks, the abilities of the manager and the norms of the organization

Behaviouralism An approach to job design that aims to improve motivation hence performance by increasing job satisfaction

Belief System (Formal) The explicit set of organizational definitions that senior managers communicate formally and reinforce systematically to provide basic values, purpose, and direction for the organization

Biodata Scoreable information about a job applicant
Boston Matrix (Also called the BCG Matrix, the Growth-

Share Matrix and Portfolio Analysis) **Brand** A name, term, design, symbol or any other feature that identifies one seller's good or service as distinct from

those of other sellers **Branding** The process of creating and developing successful brands

Break-Even Analysis The technique of comparing revenues and costs at increasing levels of output in order to establish the point at which revenue exceeds cost, that is the point at which it 'breaks-even'

**Budget** Statements of desired performance expressed in financial terms; typically a financial plan to manage the spending and saving of money; A financial plan to manage the spending and saving of money

**Bureaucracy** Describes a form of business administration based on formal rational rules and procedures designed to govern work practices and organization activities through a hierarchical system of authority. (See Standardization, Centralization, Formalization, Specialization)

**Business Ethics** The accepted principles (beliefs and values) of right or wrong governing the conduct of business people

Business Information System Specific information system used to support business

Business Model The organization's essential logic for consistently achieving its principle objectives- explains how it consistently makes money, highlights the distinctional consistently makes money.

tive activities and approaches that enable the firm to succeed — to attract customers and deliver products and services profitably

Business Plan A document that summarizes how an entrepreneur will organize a firm to exploit an opportunity, along with the economic implications of exploiting that opportunity

Business Process A specific ordering of work activities across time and place, with a beginning, an end and clearly identified inputs and output

Business Process Reengineering (BPR) The redesign of business processes in an effort to reduce costs, increase efficiency and effectiveness and improve quality. BPR is characterized as radical rather than incremental in its approach to change and broad rather than narrow in its organization impact

Business Strategy Describes how the organization competes within an industry or market

Capabilities What the organization can do

Capability The capacity for a team of resources to perform some task or activity

Capital Budgeting The process of analyzing and selecting various proposals for capital expenditures

Centralization The degree to which the authority to make certain decisions is located at the top of the management hierarchy

CEO (Chief executive officer) the highest-ranking executive or administrator in charge of management; the singular organizational position that is primarily responsible for carrying out the strategic plans and policies of an organization

Challenge Stressors Stressors associated with work load, pressure to complete tasks and time urgency

Change Agent Any person seeking to promote, further, support, sponsor, initiate, implement or help to deliver change within the organization

Change Implementers The persons who put the change plan into practice and take steps to assure the change vision is realized – make change happen

Change Model An abstract representation describing the content or process of changes

Channel Cannibalization The decrease in sales through an existing channel due to the introduction of a new channel

Channel Richness The amount of information that can be transmitted during a communication episode

Charismatic Authority Authority derives from the 'rulers' personal qualities

Charismatic Leadership The ability to exercise leadership through the power of the leader's personality

Classical Approach The organization is thought of in terms of its purpose and formal structure and this approach aims to identify how methods of working can improve productivity. Emphasis is placed on the planning of work, the technical requirements of the organization, principles of management and the assumption of rational and logical behaviour

Classical Approach to Management The organization is thought of in terms of its purpose and formal structure and this approach aims to identify how methods of working can improve productivity. Emphasis is placed on the planning of work, the technical requirements of the organization, principles of management and the assumption of rational and logical behaviour

Classical Decision Theory A theory which assumes that decision-makers are objective, have complete information and consider all possible alternatives and their consequences before selecting the optimal solution

Coalition Building The forming of partnerships to increase pressures for or against change

Code of Ethics A set of ethical-behaviour rules developed by organizations or by professional societies

Collective Agreements The results of collective bargaining are expressed in agreements; these are principally procedure agreements and substantive agreements; they are not legally enforceable in the UK. (See also Procedure Agreements and Substantive Agreements)

Collective Bargaining The process of negotiating wages and other working conditions collectively between employers and trade unions, it enables the conditions of employees to be agreed as a whole group instead of individually

Combined Code A set of principles of good corporate governance and provides a code of best practice aimed at companies listed on the London Stock Exchange

Communication The activity of conveying information Communication Climate in an Organization The prevailing atmosphere, open or closed, in which ideas and information are exchanged

Communications Essentially the process by which views and information are exchanged between individuals or groups; usually refers to the system of communication in use, but can also mean personal skills of communication

Company's Memorandum and Articles of Association
The documents needed to form a company – In the U.K., a company must draw up a Memorandum of Association to document and record details of the firm. The memorandum provides basic information on a business or association in the United Kingdom and with the Articles of Association, forms the company's charter or constitution. The memorandum may be viewed by the public at the office in which it is filed

Competence Work related knowledge, skill or ability held by an individual

Competency-Based Approach The development of a list of abilities and competencies necessary to perform successfully a given job, and against which the applicant's performance can be assessed

Competitive Advantage Used interchangeably with 'distinctive competence' to mean relative superiority in skills and resources

Competitive Dynamics How one firm responds to the strategic actions of competing firms

Competitive Strategy Competitive strategy is concerned with the basis on which a business unit might achieve competitive advantage in its market

Computer Integrated Manufacturing (CIM) A term used to describe the integration of computer-based monitoring and control of all aspects of a manufacturing process, often using a common database and communicating via some form of computer network

Computer-Aided Design (CAD) Software Software that allows designers to design and 'build' production prototypes, 'test' them as a computer object under given parameters, compile parts and quantity lists, outline production and assembly procedures and then transmit the final design directly to milling and rolling machines

Computer-Aided Manufacturing (CAM) Software Software that uses a digital design such as that from a CAD system to directly control production machinery

Concurrent Feedback Information which arrives during our behaviour and which can be used to control behaviour as it unfolds

**Configuration** The shape of the organization's role structure – the structures, processes and relationships through which the organization operates

Consumer Movement A diverse collection of independent individuals, groups and organizations seeking to protect the rights of consumers

Content Theories of Motivation These theories attempt to explain those specific things which actually motivate the individual at work and are concerned with identifying people's needs, the strength of those needs and the goals they pursue in order to satisfy those needs

Contingency Approach An extension of the systems approach that implies organizational variables (e.g. strategy, structure and systems) and its success or performance is dependent upon environmental influences (forces). There is, therefore, no one best way to structure or manage organizations; rather it must be dependent upon the contingencies of the situation

Contingency Approach to Organization Structure A perspective which argues that an organization, to be effective, must adjust its structure in a manner consistent with the main type of technology it uses, the environment within which it operates, its size and other contextual factors

Contingency Theory of Leadership A view which argues that leaders must alter their style in a manner consistent with aspects of the context

Continuous Change Organizational changes that tend to be ongoing, evolving and cumulative

Control Ensuring plans are properly executed; assuring the organization functions as planned

Controlled Performance Setting standards, measuring performance, comparing actual with standard and taking corrective action if necessary

Controlling Ensuring plans are properly executed; assuring the organization functions as planned

Cooperative Business organizations owned and operated by a group of individuals for their mutual benefit

Core Competence Those capabilities fundamental to the organization's strategy and performance

Core Values Core values are the principles that guide an organization's actions

Corporate Culture Defined by Bower as 'the way we do things around here'. Trice and Beyer elaborated this as: 'the system of . . . publicly and collectively accepted meanings operating for a given group at a given time'. Hofstede describes corporate culture as 'the psychological assets of an organization, which can be used to predict what will happen to its financial assets in five years time'

Corporate Governance The system used to control and direct a company's operations

Corporate Social Responsibility A concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on all stakeholders, including the environment

COSO ERM Framework The COSO (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management-Integrated Framework published in 2004 defines ERM as a . . . process, effected by an entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives

Cost Benefit Analysis The assessment of resources used in an activity and their comparison with the value of the benefit to be derived from the activity.

Choice and evaluation of competing solutions should take account of net present value and changing price levels

Cost Centre A unit which serves other parts of the organization (e.g. HR, IT, Accounts, etc.) and which is allocated a budget based on the costs of operating the service at an agreed level; Cost centres account for related expenses – they add to the cost of an organization, but only indirectly add to its profit

Counselling When a counsellor sees an employee in a private and confidential setting to explore a difficulty the employee is having, distress they may be experiencing or perhaps their dissatisfaction with life, or loss of a sense of direction and purpose

Critical Path The longest sequence of activities through a project network, it is called the critical path because any delay in any of its activities will delay the whole project

Cross Cultural Competence An individual's effectiveness in drawing on a set of knowledge, skills and personal attributes in order to work successfully with people from different national cultural backgrounds at home or abroad

Cultural Artefacts Phenomena accessible to the senses, including architecture, myths, rituals, logos, type of personnel employed and so on, which signify the values in an organization's culture

Cultural Distance Cultural distance aims to capture the overall difference in national culture between the home-country and affiliates overseas. As the cultural distance increases, the difficulties facing business processes overseas also increase

Culture Shared ways of thinking and behaving (Uniformity)
Culture Shock Psychological process affecting people
living and working abroad that may affect their work
performance

Customer Relationship Management (CRM) The entire process of maximizing the value proposition to the customer through all interactions, both online and traditional. Effective CRM advocates one-to-one relationships and participation of customers in related business decisions. Uses technology-enhanced customer interaction to shape appropriate marketing offers designed to nurture ongoing relationships with individual customers within an organization's target markets

Customer Satisfaction When an exchange meets the needs and expectations of the buyer

Customer Service Customer satisfaction in terms of physical distribution, availability, promptness and quality

Cybernetic System A system with reference to the components and operation of feedback control (see self-regulation)

Data Raw facts

Database A system or programme in which structured data is stored

**Decision** Commitment of resources

Decision Making The process of making choices from among several options

Decision Support System (DSS) A computer-based information system that combines models and data in an attempt to solve semi-structured problems with extensive user involvement

Decision Tree A diagram showing the sequence of events, decisions and consequent actions that occur in a decision making process

Decision-Making Approach An approach to management that focuses on managerial decision-making and how organizations process and use information in making decisions

Delayed Feedback Information which is received after a task is completed, and which can be used to influence future performance

Delegation A distinct type of power sharing process that occurs when a manager gives subordinates the responsibility and authority for making certain decisions previously made by the manager

Design (Structure) Purpose The primary purposes of design are to divide and allocate work and then coordinate and control that work so that goals are met

**Development** Anything that helps a person to grow, in ability, skills, confidence, inter-personal skills, understanding, self-controland more

Diagnostic Control System Formal information systems used to monitor organizational outcomes and correct deviations from preset standards of performance

Diamond of Competitive Advantage Configuration of four sets of attributes (factor conditions, demand conditions, supporting industries and inter firm rivalry) which, in Porter's theory, determine a nation's competitive advantage

Differentiation The degree to which the tasks and the work of individuals, groups and units are divided up within an organization

Digital Organization An organization where nearly all significant business processes and relationships with customers, suppliers and employees are digitally enabled and key corporate assets are managed through digital means

Direct Distribution Channels Distribution channels in which products are sold directly from producers to users

Direct Marketing The use of non-personal media, the Internet or telesales to introduce products to customers, who then purchase the products by mail, telephone or the Internet

Disciplinary Procedure A set of rules or guidelines for dealing with instances of bad behaviour or rule-breaking amongst employees; the most common sanctions are warnings, suspensions and dismissals

**Discrimination** Usually refers to unfair treatment of an individual or group on grounds of their sex or race. Less favourable treatment of a person compared with another person because of a protected characteristic

Disintermediation The process of doing away with 'middlemen' from business transactions

Distribution Channel Interlinked stages and organizations involved in the process of bringing a product or service to the consumer or industrial user

Diversity All the ways in which we differ

Division of Labour An approach to job design that involves dividing a task down into relatively small parts, each of which is accomplished by a single person

Divisional Structure A design whereby an organization is split into a number of self-contained business units, each of which operates as a profit centre

Domestic Exporter A strategy characterized by heavy centralization of corporate activities in the home country of origin

Duty to Make Reasonable Adjustments Where a disabled person is at a substantial disadvantage in comparison with people who are not disabled, there is a duty to take reasonable steps to remove that disadvantage by (i) changing provisions, criteria or practices, (ii) altering, removing or providing a reasonable alternative means of avoiding physical features and (iii) providing auxiliary aids

**E-Business** Using Internet technologies as the platform for internal business operations, electronic commerce and enterprise collaboration

**E-Commerce** All electronically mediated information exchanges between an organization and its external stakeholders (see sell-side and buy side e-commerce)

Economic Order Quantity (EOQ) The order size that minimizes the total cost of ordering and carrying inventory

Education Formal learning outside (and often before entering) the workplace

**Effectiveness** Doing right things

**Efficiency** Doing things right

**Employee** A person who carries out work for a person under a contract of service

**Employee Engagement** Refers to the individual's involvement and satisfaction with as well as their enthusiasm for work

Employee Involvement A participative, employer led, process that uses the input of employees and is intended to increase employee commitment to an organization's success

Employee Relations Employee relations is an alternative label for 'industrial relations'. It is not confined to unionized collective bargaining but encompasses all employment relationships. It goes beyond the negotiation of pay and benefits to include the conduct of the power relationship between employee and employer

Employee Resourcing Resourcing is the process by which people are identified and allocated to perform necessary work. Resourcing has two strategic imperatives: first, minimizing employee costs and maximizing employee value to the organization; secondly, obtaining the correct behavioural mix of attitude and commitment in the workforce

**Employment Relations** Concerned with the relationships between the policies and practices of the organization and its staff and the behaviour of work groups

**Empowerment** A climate whereby employees are allowed greater freedom, autonomy and self-control over their work and the responsibility for decision-making

## Enterprise Resource Planning (ERP) Systems

Large, integrated, computer-based business transaction processing and reporting systems. ERP systems pull together all of the classic business functions such as accounting, finance, sales and operations into a single, tightly integrated package that uses a common database

Enterprise Risk Management A framework of methods and processes used by organizations to manage their risks and take opportunities related to the attainment of their objectives

**Enterprise System** An information system that integrates information from all functional areas of an organization with the goal of providing a more whole or complete information resource for the organization

**Environmental Determinism** A perspective which claims that internal organizational responses are wholly or mainly shaped, influenced or determined by external environmental factors

**Episodic Change** Organizational changes that tend to be infrequent, discontinuous and intentional

**Equity Theory** A theory of motivation which focuses on people's feelings of how fairly they have been treated in comparison with the treatment received by others

**European Quality Award (EQA)** A quality award organized by the European Foundation for Quality Management (EFQM), it is based on the EFQM excellence model

Expectancy Theory A process theory which argues that individual motivation depends on the valence of outcomes, the expectancy that effort will lead to good performance, and the instrumentality of performance in producing valued outcomes

**Experiential Learning** Learning from doing

**Exports** Goods and services produced by a firm in one country and then sent to another country

Extrinsic Motivation A form of motivation that stresses valued outcomes or benefits provided by others, such as promotion, pay increases, a bigger office desk, praise and recognition

Factor Plan (Job Evaluation) The combined number of factors against which jobs will be evaluated

Factors of Production Resources, such as land, labour and capital used to produce goods and services

## Feedback (In the Context of Interpersonal

Communication) The processes through which the transmitter of a message detects whether and how that message has been received and decoded

Filtering A sender's manipulation of information so that it will be seen more favourably by the receiver

Finance A branch of economics concerned with resource allocation as well as resource management, acquisition and investment; deals with matters related to money and markets

Financial Accounting Reporting of the financial position and performance of a firm through financial statements issued to external users on a periodic basis

Financial Control In financial control the role of the centre is confined to setting financial targets, allocating resources, appraising performance and intervening to avert or correct poor performance

Five Forces Framework Identifies the five most common threats faced by firms in their local competitive environments and the conditions under which these threats are more or less likely to be present; these forces are the threat of entry, of rivalry, of substitutes, of buyers and of suppliers

Flexible Manufacturing Systems Two or more computer controlled machines or robots linked by automated handling devices such as transfer machines, conveyors and transport systems. Computers direct the overall sequence of operations and route the work to the appropriate machine, select and load the proper tools and control the operations performed by the machine

Flow Chart A pictorial summary that shows, with symbols and words, the steps, sequence and relationship of the various activities involved in the performance of a process

Flow Shop Processes Organized around a fixed sequence of activities and process steps, such as an assembly line to produce a limited variety of similar goods or services

**Force-Field Analysis** A process of identifying and analyzing the driving and restraining forces associated with a change

Formal Communication Formal communication involves presenting information in a structured and consistent manner. Such information is normally created for a specific purpose, making it likely to be more comprehensive, accurate and relevant than information transmitted using information communication. An example of formal communication is an accounting statement. See Informal communication

Formal Management Controls A firm's budgeting and reporting activities that keep people higher up in a firm's

organizational chart informed about the actions taken by people lower down in the organizational chart

Formal Organization The collection of work groups that has been consciously designed by management to maximize efficiency and achieve organizational goals

Formalization The degree to which instructions, procedures, etc. are written down

Forming The initial formation of a group and the first stage in group development

Forward Vertical Integration A firm incorporates more stages of the value chain within its boundaries and those stages bring it closer to interacting directly with final customers

Functional Business System A system designed to support a specific primary activity of the organization

Functional Leader A person who leads by action rather than by position

Functional Structure The organization is structured according to functional areas such as finance, marketing and HR

Gantt Chart A graphical tool used to show expected start and end times for project activities, and to track actual progress against these time targets

Gender All human societies divide themselves into two social categories called 'female' and 'male' (this does not exclude other categories). Each category is defined on the basis of varying cultural assumptions about the attributes, beliefs and behaviours expected from males and females. The gender of any individual depends on a complex combination of genetic, body, social, psychological and social elements, none of which is free from possible ambiguity or anomaly. Traditionally, sexual differences have been used to justify male-dominated societies in which women have been given inferior and secondary roles in their working lives

Gender Discrimination Many countries, including all members of the EU, have sex discrimination and equal pay legislation. However, informal psychological and organizational barriers continue to bar the progress of women. The processes of occupational segregation and sex-typing of jobs continue so that women tend to be concentrated at the base of most organizational hierarchies in jobs which are less prestigious and lower paid than those favoured by men

Gender Legislation It is often illegal for a company to make employment decisions based on someone's sex or, more appropriately, gender (i.e. male or female). If a man is promoted over a woman the woman who did not get the promotion may have a claim for sex discrimination

Generic Business Strategies Another name for businesslevel strategies, which are cost leadership and product differentiation

Generic Routes to Competitive Advantage Cost leadership, differentiation and focus; not mutually exclusive Glass Ceiling Expression used to denote a subtle barrier to women's promotion to senior posts in an organization, and usually implying that it is kept in place by men's innate prejudice against women in senior management positions

Global A form of international organizational design where foreign subsidiaries are modelled on the parent companies' domestic approach

(replication) – standardization and centralization are emphasized in order to achieve integration

Global Strategy Assumes a single market and offers a standard product(s) to meet customer needs wherever they are located

Globalization Growth and integration to a global or worldwide scale

Globalization of Production Trend by individual firms to disperse parts of their productive processes to different locations around the globe to take advantage of differences in cost and quality of factors of production

Goal Theory A theory of motivation that is based on the premise that people's goals or intentions play an important part in determining behaviour

Goals guide people's responses and actions and direct work behaviour and performance, leading to certain consequences or feedback

Governance Framework The governance framework describes whom the organization is there to serve and how the purposes and priorities of the organization should be decided

Grievance Concerns, problems or complaints that employees raise with their employers

**Group** An association of two or more individuals who have a shared sense of identity and who interact with each other in structured ways on the basis of a common set of expectations about each other's behaviour

Group Cohesiveness The extent to which members of a group interact, co-operate, are united and work together effectively. Generally, the greater the cohesiveness within a group, the more rewarding the experience is for the members and the higher the chances are of success

**Group Dynamics** The behavioural interactions and patterns of behaviour that occur when groups of people meet

Halo (or Horns) Effect The bias introduced when attributing all of the characteristics of a person to a single attribute i.e. drawing a general impression or making a judgement about an individual on the basis of a single characteristic. When this is positive it is a 'halo' effect, when negative a 'horns' effect. The perception of a person is formulated on the basis of a single favourable or unfavourable trait or characteristic and tends to shut out other relevant characteristics of that person

Harassment Unwanted behaviour that has the purpose or effect of violating a person's dignity or creates a degrading, humiliating, hostile, intimidating or offensive environment. Conduct which is unreasonable, unwelcome and offensive and which creates an intimidating or humiliating working environment. Harassment is a direct type of discrimination if the victim can show that the behaviour caused injury to feelings

**Hawthorne Studies** A series of studies exploring aspects of group working within the Western Electric Company in the USA during the late 1920s and early 1930s

**Hierarchy of Needs** A theory of motivation developed by Maslow which states that people's behaviour is

determined by their desire to satisfy a progression of physiological, social and psychological needs

Hindrance Stressors Stressors that keep you from reaching your goals (red tape, office politics, confusion over job responsibilities)

HR System A set of distinct activities, functions, policies and processes that are directed at attracting, developing, and maintaining the human resources of an organization

Human Relations Approach A school of management thought which emphasizes the importance of social processes at work (emphasizes the informal organization)

Human Resource Management A philosophy of people management based on the belief that human resources are uniquely important to sustained business success. An organization gains competitive advantage by using its people effectively, drawing on their expertise and ingenuity to meet clearly defined objectives. HRM is aimed at recruiting capable, flexible and committed people, managing and rewarding their performance and developing key competencies. See also 'Hard HRM', 'Soft HRM'

Human Resource Planning (HRP) A process which anticipates and maps out the consequences of business strategy on an organization's human resource requirements. This is reflected in planning of skill and competence needs as well as total headcounts

Human Resource Strategy Overall plan for staffing, developing and rewarding employees and outsourced human resources tied to business objectives

Hygiene Factors Aspects of work which remove dissatisfaction but do not contribute to motivation and performance, including pay, company policy, supervision, status, security and working conditions are known as hygiene or context factors

**Imports** Goods and services produced in one country and bought in by another country

Industrial Tribunals Tribunals set up originally to hear appeals against training levies; their scope has increased considerably since 1971 to include unfair dismissal, sex discrimination, etc. Now known as employment tribunals

Informal Communication This describes information that is transmitted by informal means, such as casual conversations between members of staff. The information transmitted in this way is often less structured and less detailed than information transmitted by formal communication. In addition, the information may be inconsistent or may contain inaccuracies. Furthermore, the information may also include a subjective element, such as personal opinions. See formal communication

Informal Management Controls Include a firm's culture and the willingness of employees to monitor each others behaviour

**Informal Organization** The network of relationships between members of an organization that form of their own accord on the basis of common interests and friendship

**Information** Data that has been processed (sorted, summarized, manipulated, filtered) so that it is meaningful to people

**Information System** A set of people, procedures and resources that collects, transforms and disseminates information in an organization – accepts data resources as input and processes them into information products as output

**Information Technology** The hardware and software that are used to store, retrieve and manipulate information

**Inputs** The resources introduced into a system for transformation into outputs

Integration The required level to which units in an organization are linked together, and their respective degree of independence (Integrative mechanisms include rules and procedures and direct managerial control)

**Intermediary** Brings together buyers and sellers

Internal Analysis Identification of a firm's organizational strengths and weaknesses and of the resources and capabilities that are likely to be sources of competitive advantage

Internal Rate of Return (IRR) The internal rate of return (IRR) is the discount rate which delivers a net present value of zero for a series of future cash flows. It is a discounted cash flow (DCF) approach to valuation and investing

International Financial Reporting Standards (IFRS) International accounting standards, designed to harmonize reporting standards in different countries, which are gradually supplanting national accounting standards

International Operations Process by which the firm makes and delivers its goods or services across national borders

International Organization Any organization that engages in international trade, investment or offers products or services outside their home country

International Trade The purchase, sale, or exchange of goods and services across national borders

Internationalization The gradual process of taking organizational activities into other countries

Internet An international network of computers, cables and satellite links that enables individuals to communicate worldwide through their personal computer or workplace server

Intranet Internal, in-company Internet networks for routine communications, fostering group communications, providing uniform computer applications, distributing the latest software or informing colleagues of marketing developments and new product launches

Intuitive Decision Makers Cognitive style that describes people who approach a problem with multiple methods in an unstructured manner, using trial and error to find a solution

Job The set of tasks an individual performs

Job Analysis The determination of the essential characteristics of a job in order to produce a job specification/ description. The process of job analysis is that of gathering and analyzing job-related information. This includes details about tasks to be performed as part of a job and the personal qualities required to do so. Job analysis can provide information for a variety of purposes including:

determining training needs, development criteria, appropriate pay and productivity improvements. For resourcing purposes, job analysis can generate job and personnel specifications

Job Characteristics Model A model of job enrichment based on the need to incorporate a number of core job dimensions (skill variety, task identity, task significance, autonomy and feedback) into the design of a job

Job Description A statement of the overall purpose and scope of a job, together with details of its tasks and duties; the description is a product of job analysis

Job Design Involves determining the specific job tasks and responsibilities, the work environment and the methods by which the tasks will be carried out to meet the goals of operations

**Job Enlargement** The horizontal increasing of job responsibility, i.e. by the addition of tasks of a similar nature to be distinguished from job enrichment

Job Enrichment The process of vertically increasing the responsibilities of a job, by the addition of motivators, e.g. more discretion, improved job interest, etc.

**Job Evaluation** A technique for determining the size of one job compared with another, and the relationship between the two; job evaluation schemes can broadly be divided into analytical and non-analytical; the technique forms the basis for wage and salary administration

Job Grading A job evaluation scheme based on an organization's hierarchy of job grading

**Job Ranking** A job evaluation scheme based on job descriptions

Job Rotation The moving of a person from one job or task to another, in an attempt to add variety and help remove boredom. It may also give the individual a holistic view of the organization's activities and be used as a form of training

Job Satisfaction An attitude or internal state which is associated with the working environment and working experiences. In recent years it has been closely associated with improved job design and work organization and the quality of working life

Job Shop A type of (flexible) manufacturing process used to make a wide variety of highly customized products in quantities as small as one

**Job Simplification** An approach to job design based on a minimization of the range of tasks into the smallest convenient size to make the job efficient and cost effective

Jobbing Processes Processes that deal with high variety and low volumes, although there may be some repetition of flow and activities

Just-In-Time (JIT) Methods of managing inventory (stock) whereby items are delivered when needed in the production process instead of being stored by the manufacturer

Kaizen Japanese term for continuous improvement

**Key Result Area** Term used especially in management by objectives; refers to those areas of a person's job that make the biggest impact on end results

(See also Management by Objectives.)

**Knowledge** What people understand as a result of what they have been taught or have experienced. Knowledge may then be applied to solve problems

Lateral Communication Communication within an organization which exist between individuals in different departments or sections, especially between individuals on the same level

Leadership The process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives

**Lean Production** A term commonly used to refer to just-in-time production

Learning The development of knowledge

Learning Organization An organization skilled at creating, acquiring and transferring knowledge, and at modifying its behaviour to reflect new knowledge and insights

Limited Company A corporation with shareholders whose liability is limited by shares

Line Relationship The links, as shown on an organizational chart, that exist between managers and staff whom they oversee directly

Logistics The management of both inbound and outbound materials, parts, supplies and finished goods

Machine Bureaucracy A type of organization which possesses all the bureaucratic characteristics. The important decisions are made at the top, while at the bottom, standardized procedures are used to exercise control

Maintenance The activity of caring for physical facilities so as to avoid or minimize the chance of those facilities failing

Management Coordinated activities (forecasting, planning, deciding, organizing, commanding) to direct and control an organization

Management Accounting The process of identifying, measuring, analyzing, interpreting and communicating information for the pursuit of an organization's goals

Management By Objectives An approach to management which aims to integrate the organization's objectives with those of individuals; it involves the reduction of overall objectives into unit and individual objectives; in the UK the approach is associated with John Humble. (See also Key Result Area)

Management Development A systematic process for ensuring that an organization meets its current and future needs for effective managers; typical features include manpower reviews, succession planning, performance appraisal and training

Management, Principles Of 14 elements of what being a manager involved, developed by Fayol

Managing Diversity The management of diversity goes beyond equal opportunity and embodies the belief that people should be valued for their differences and variety. Diversity is perceived to enrich an organization's human capital. Whereas equal opportunity focuses on various disadvantaged groups, the management of diversity is about individuals

Market Segment A market segment is a group of customers who have similar needs that are different from customer needs in other parts of the market

Market Segmentation Approach Designing product and service offerings around consumer demand

Market Surveys Structured questionnaires submitted to potential customers, often to gauge potential demand

Market Test An experiment in which a product is made available to buyers in one or more test areas, after which purchases and consumer responses to its distribution, promotion and price are measured

Marketing The processes associated with the transfer of goods from and the relationships between producer and consumer – it is also concerned with anticipating the customers' future needs and wants – marketing involves researching, promoting, selling and distributing products or services

Marketing Audit A systematic examination of the marketing function's objectives, strategies, programmes organization and performance

Marketing Communication The diffusion of persuasive information about a product aimed at key stakeholders and consumers within the target market segment

Marketing Concept The philosophy that an organization should try to provide products that satisfy customers' needs through a coordinated set of activities that also allows the organization to achieve its goals

Marketing Information Systems A system incorporating ad hoc and continuous market and marketing research surveys, together with secondary data and internal data sources, for the purpose of decision making by marketers

Marketing Intelligence Information about buyer needs and competitor activities compiled, analyzed and/or disseminated in an effort to provide insight and assistance in decision-making

Marketing Mix The tactical 'toolkit' of the marketing programme; product, place/distribution, promotion, price and people variables that an organization can control in order to appeal to the target market and facilitate satisfying exchange

Marketing Objective A statement of what is to be accomplished through marketing activities – the results expected from marketing efforts

Marketing Orientation A marketing-oriented organization devotes resources to understanding the needs and buying behaviour of customers, competitors' activities and strategies, and of market trends and external forces – now and as they may shape up in the future; interfunctional coordination ensures that the organization's activities and capabilities are aligned to this marketing intelligence

Marketing Plan The written arrangements for specifying, implementing and controlling an organization's marketing activities and marketing mixes

Marketing Research The process of gathering, interpreting and disseminating information to help solve specific marketing problems or take advantage of marketing opportunities

Marketing Strategy A plan indicating the opportunities to pursue, specific target markets to address, the types of competitive advantages that are to be developed and exploited and maintenance of an appropriate marketing mix that will satisfy those people in the target market(s)

Mass Processes Processes that produce goods in high volume and relatively low variety

Master Production Schedule (MPS) The important schedule that forms the main input to material requirements planning, it contains a statement of the volume and timing of the end products to be made

Material Requirements Planning (MRP) A planning process (usually computerized) that integrates production, purchasing and inventory management of interrelated products

Matrix Management A system of management operating in a horizontal as well as vertical organization structure, where, typically, a manager reports to two superiors – one a departmental/line manager and the other a functional/project manager

Mcgregor's Theory X and Theory Y Theory X managers consider workers as lazy and having to be driven to achieve performance. Theory Y managers consider workers enjoy the experience of work and have a desire to achieve high performance. McGregor believed that managers managed their staff on the basis of these beliefs, irrespective of actual employee approach to work

Mechanistic System A rigid system of management practice and structure which is characterized by a clear hierarchical structure, specialization of task, defined duties and responsibilities and knowledge centred at the top of the hierarchy

Mission Statement A mission statement is a statement of the overriding direction and purpose of an organization

Monochronic Concentrating on one task at a time

Motivating Activating the driving force within individuals by which they attempt to achieve some organizational goal

Motivation A driving force that encourages an individual to behave in particular ways as they seek to achieve a goal

Multidomestic Organization An organization that trades internationally as if the world were a collection of many different (country) entities

Multinational The multinational (multidomestic) is a collection of national companies that manage their businesses with minimal direction from headquarters – decentralization is emphasized to achieve differentiation and a local response

Mutually Exclusive Options may be seeking to solve the same problem and competing with each other

Need for Achievement (NACH) A general concern with meeting standards of excellence, the desire to be successful in competition and the motivation to excel

Need for Power (NPOW) The desire to make an impact on others, change people or events and make a difference in life

Net Present Value (NPV) An investment appraisal technique that determines the amount of money an investment is worth, taking into account its cost, earnings and the time value of money

Niche Strategy A firm reduces its scope of operations and focuses on narrow segments of a declining industry

Noise Factors extraneous to the communication process which interfere with or distract attention from the transmission and reception of the intended meaning

Nonverbal Communication Gestures and facial expressions which convey meaning within a particular linguistic context

Norming The third stage of group development during which members of the group establish guidelines and standards and develop their own norms of acceptable behaviour

Objectives Objectives are statements of specific outcomes that are to be achieved

Occupational Health The ongoing maintenance and promotion of physical, mental and social well-being for all workers

Open System Considers the organization's structures, systems, processes and external environment to be interrelated and able to affect one another

Organic System A fluid and flexible system of management practice and structure which is characterized by the adjustment and continual redefinition of tasks, a network structure of control, authority and communication and where superior knowledge does not necessarily coincide with positional authority

Organization Development A systematic process aimed at improving organizational effectiveness and adaptiveness on the basis of behavioural science knowledge; typical stages in an OD programme include analysis, diagnosis, action plans and review, an external third party assists the process. (See also Change Agent)

Organizational (Corporate) Culture A set of values, beliefs, goals, norms and rituals that members of an organization share

Organizing Determining activities and allocating responsibilities for the achievement of plans; coordinating activities and responsibilities into an appropriate structure

Organizing By Function A way of structuring a marketing department in which personnel directing marketing research, product development, distribution, sales, advertising and customer relations report to the top-level marketing executive

Organization A group of people with a common purpose who work together to achieve shared goals (see formal organization and informal organization)

Organization Theory The study of the structure, functioning and performance of organizations and the behaviour of groups and individuals within them (see also organizational behaviour)

Organizational Behaviour The study of the structure, functioning and performance of organizations and the behaviour of groups and individuals within them

Organizational Change The alteration of organizational components (such as the mission, strategy, goals, structure, processes, systems, technology and people) to improve the effectiveness or efficiency of the organization

Organizational Design The design of an organization patterns its formal structure and culture. It allocates purpose and power to departments and individuals. It lays down

guidelines for authoritarian or participative management by its rigidity or flexibility, its hierarchical or nonhierarchical structure

Organizational Routines/Competences When firm-specific assets are assembled in integrated clusters spanning individuals and groups so that they enable distinctive activities to be performed, these activities constitute organizational routines and processes

Organizational Structure The way in which the interrelated groups of an organization are constructed

Output Control A form of control that is based on the measurement of outputs and the results achieved. This form of control serves the needs of the organization as a whole and is used when there is a need for quantifiable and simple measures of organizational performance

Outputs The completed products or services of a system Packaging The development of a product's container and label, complete with graphic design

Pareto Law A general law found to operate in many situations that indicates that 20 per cent of something causes 80 per cent of something else, e.g. 20% of effort in one area gains 80% of the results

Partnership When you go into business with someone else (more commonly associated with professional services such as accountants, solicitors and doctors)

Payback Period An investment appraisal technique that assesses how long it takes for initial cash investment to be repaid from cash receipts generated by the investment

Perception A mental process used to manage sensory data Perfectly Competitive Industry When there are large numbers of competing firms, the products being sold are homogeneous with respect to cost and product attributes, and entry and exit are very low cost

Performance Appraisal The process of assessing the performance of an employee in his job; appraisal can be used for salary reviews, training needs analysis and job improvement plans, for example

Performance Assessment One of the many peoplemanagement techniques which 'classify and order individuals hierarchically' (Townley, 1994, p.33). Modern assessment is often focused on competences. See also 'Appraisals'

Performance Management Any system for improving management effectiveness by means of standard-setting, appraisal and evaluation; combines informal day-to-day aspects with formal appraisal interviews and goal-setting. A continuous process for improving the performance of individuals by aligning actual performance with that desired (and with the strategic goals of the organization) through a variety of means such as standard-setting, appraisal and evaluation both informally, day-to-day, and formally/systematically through appraisal interviews and goal-setting

Performance Standard An expected level of performance against which actual performance can be compared

Performance Targets Performance targets relate to the outputs of an organization (or part of an organization), such as product quality, prices or profit

Performing The fourth stage of group development during which the group concentrates on the performance of the common task

Person Culture A form of culture where the individual is the central focus and any structure exists to serve the individuals within it. Individuals have almost complete autonomy and any influence over them is likely to be on the basis of personal power

Person Specification A list of the knowledge, experience and skills necessary for a person to be able to perform a particular job

Personal Sellings The task of informing and convincing customers to purchase through personal communication

Personnel Management The specialist management function which determines and implements policies and procedures which affect the stages of the employment cycle

Picketing Trade union activity where groups of workers in dispute with their employers attend at their own place of work for the purpose of peacefully persuading other workers not to leave or enter the premises for work; the persons in attendance are the pickets, and the area they are picketing is called the picket line

Place or Distribution Is essentially about how you can place the optimum amount of goods and/or services before the maximum number of members of your target market, at times and locations which optimize the marketing outcome, i.e. sales

Place/Distribution Variable The aspect of the marketing mix that deals with making products available in the quantities desired to as many customers as possible and keeping the total inventory, transport and storage costs as low as possible

Planning The formalization of what is intended to happen at some time in the future; concerns actions taken prior to an event, typically formulating goals and objectives and then arranging for resources to be provided in order to achieve a desired outcome

Points Rating Method The method of numerically evaluating jobs by the detailed analysis of component job factors. Each factor is defined and is given a range of point values, so that every job can be assessed numerically within the established range

Policy A guiding principle designed to influence decisions, actions, etc.

Polychronic Dealing with several tasks at once

Post-Modern Organization A networked, informationrich, delayered, downsized, boundary-less, high-commitment organization employing highly skilled, well-paid, autonomous knowledge workers

Postmodernism A more recent view of organizations and management that rejects a rational, systems approach and accepted explanations of society and behaviour. Postmodernism places greater emphasis on the use of language and attempts to portray a particular set of assumptions or versions of the 'truth'

Power The ability of individuals or groups to persuade, induce or coerce others into following certain courses of action

Power Culture A form of culture that depends on a central power source that exerts influence throughout the organization

Practice An accepted method or standardized activity

Predetermined Motion–Time Systems (PMTS) A work measurement technique were standard elemental times obtained from published tables are used to construct a time estimate for a whole job

**Prejudice** Prejudice is an attitude, usually with negative feelings, that involves a pre-judgement about the members of a group

Price Variable The aspect of the marketing mix that relates to activities associated with establishing pricing policies and determining product prices

Principle-Centred Leader A leadership type based upon morals and ethical principles

Procedure Agreement A collective agreement setting out the procedures to be followed in the conduct of management-union relations, with particular reference to negotiating rights, union representatives, disputes and grievance procedures. (See also Substantive Agreement)

Process Consultation An approach to organization development in which the role of the consultant is to facilitate understanding of how to explore problems and find workable solutions

Process Control Systems. These systems deal with the large volume of data generated by production processes

Process Theories of Motivation These theories look at motivation as the outcome of a dynamic interaction between the person and their experiences of an organization and its management. Such processes depend critically on the sense individuals make of their experiences at work

**Procurement** The act of getting possession of something from a supplier

**Product Development** A strategy of increasing sales by improving present products or developing new products for current markets

Product Differentiation Refers to one way in which firms can maintain their competitive advantage; they differentiate their product, in ways that appeals to the customer, from all others on the market

**Product Liability** Involves holding a firm and its officers responsible when a product causes injury, death or damage

Product Life Cycle The four major stages through which products move: introduction, growth, maturity and decline

Product Portfolio The variety of products manufactured or supplied by an organization

Product Portfolio Analysis A strategic planning tool that takes a product's market growth rate and its relative market share into consideration in determining a marketing strategy

Product Structure The organization is structured according to related products or services

**Production Process** The way that businesses create products and services

Production Run Completion of all tasks is associated with a production order

Productivity Economic measure of efficiency that summarizes the value of outputs relative to the value of inputs used to create them

Profit and Loss Account A statement that sets the total revenues (sales) for a period against the expenses matched with those revenues to derive a profit or loss for the period

Profit Centre A part of an organization that directly adds to its profit/run as a business with profit objectives; it is a subset of the business for which senior managers want to track income and expenses

Profit-and-Loss Centres Profits and losses are calculated at the level of the division in a firm

Promotion Communication with individuals, groups or organizations in order to facilitate exchanges by informing and persuading audiences to accept a company's products

Promotional Mix The combination of five key communication tools: advertising, sales promotions, public relations, direct marketing and personal selling

Psychological Contract An informal understanding between the employer and employee. Unlike the formal employment contract, this has no physical existence. It is a set of expectations held by both employers and employees in terms of what they wish to give and receive from their working relationship (Rousseau and Parks, 1993)

Psychometric Tests Written tests that assess a person's aptitude and personality in a measured and structured way. Such tests are often used by employers as part of their recruitment and selection processes

Public Limited Company (PLC) A limited company whose shares may be purchased by the public and traded freely on the open market and whose share capital is not less than a statutory minimum (for the UK a company registered under the Companies Act (1980) as a public company)

Publicity Non-personal communication in news-story form about an organization and/or its products that is transmitted through a mass medium at no charge

**Purchasing** The organizational function, often part of the operations function, that forms contracts with suppliers to buy in materials and services.

**Push Strategy** Information is just 'pushed' by the seller toward the buyer

Quality Degree to which a set of inherent characteristics fulfils requirements

Quality Assurance The specific actions firms take to ensure that their products, services and processes meet the quality requirements of their customers

Quality Circles These are meetings of group of workers committed to continuous improvement in the quality and productivity of a given line of production

Quality Management Refers to systematic policies, methods and procedures used to ensure that goods and services are produced with appropriate levels of quality to meet the needs of customers

Quality Management System (QMS) A systematic approach to proactively managing quality based on documented standards and operating procedures. The best known QMSs are those based on the ISO9000 series of quality standards

Quality of Working Life An individual's overall assessment of satisfaction with their job, working conditions, pay, colleagues, management style, organization culture, work-life balance, and training, development and career opportunities

Quality Standard A framework for achieving a recognized level of quality within an organization. Achievement of a quality standard demonstrates that an organization has met the requirements laid out by a certifying body

Rational Model of Organization A perspective which holds that behaviour within an organization is not random, but that goals are clear and choices are made on the basis of reason in a logical way. In making decisions, the objective is defined, alternatives are identified and the option with the greatest chance of achieving the objective is selected

Rational–Economic Concept of Motivation Motivational theory suggesting employees are motivated by their economic needs

Rational-Legal Authority Authority derives from a person's office/ position as bounded by the rules and procedures of the organization (see also legitimate authority)

Readiness for Change A predisposition to welcome and embrace change

Recruitment Locating, identifying and attracting capable applicants

Red Circling The term applied to jobs which, as a result of the implementation of a new grading structure, are found to be over paid but where the existing job holders are pay protected for a period of time

Regulations Secondary legislation made under an Act of Parliament (or European legislation) setting out subsidiary matters which assist in the Act's implementation

**Reinforcement** The encouragement of particular behaviours through the application of positive and/or negative rewards

Relationship Marketing Places emphasis on the interaction between buyers and sellers, and is concerned with winning and keeping customers by maintaining links between marketing, quality and customer service

Representative Participation A system in which workers participate in organizational decision making through a small group of representative employees

Resistance to Change The desire not to pursue change

Resource-Based View of Strategy The resource-based view of strategy: the competitive advantage of an organization is explained by the distinctiveness of its capabilities

Responsibility An obligation placed on a person who occupies a certain position in the organization structure to perform a task, function or assignment

Revenue Centre (Income centre) is a unit such as a sales section within an organization where income is

accumulated and identified with a specific project or organizational entity; the manager is held accountable for the revenue generated by the subunit

**Rivalry** The act of competing – a quest to secure an advantage over another

**Robot** A programmable machine designed to handle materials or tools in the performance of a variety of tasks

Role A set of actions and activities that a person in a particular position is supposed to perform, based on the expectations of both the individual and surrounding people

Role Ambiguity The degree of ambiguity in the minds of individuals forming the role set as to exactly what their respective roles should be at any point in

Role Conflict The simultaneous existence of two or more sets of role expectations on a focal person in such a way that compliance with one makes it difficult to comply with the others

Role Culture A form of culture that is based on logic and rationality and relies on the strength of the functions of specialists in, for example, finance or production. The interactions between the specialists is controlled by procedures and rules

Role Set The collection of persons most immediately affected by the focal person's role performance, who depend upon the focal person for their own role performance and who therefore have a stake in it

Sales Promotion An activity or material that acts as a direct inducement by offering added value to or incentive for the product to resellers, sales people or consumers

Sarbanes-Oxley Act A law defining acceptable accounting practices including audit and control of financial information

Scheduling A term used in planning and control to indicate the detailed timetable of what work should be done, when it should be done and where it should be done

Scientific Management A school of classical management theory, dating from the early twentieth century, based on the application of work study techniques to the design and organization of work in order to maximize output – increased productivity (to find the 'one best way' of performing each task); it is a form of job design theory and practice which stresses short, repetitive work cycles; detailed, prescribed task sequences; a separation of task conception from task execution; and motivation based on economic rewards ( see also Taylorism, after Frederick Taylor who was influential in founding its principles)

Segmentation The process of grouping customers in heterogeneous markets into smaller, more similar or homogeneous segments – customers are aggregated into groups with similar needs and buying characteristics

Segmentation Variables or Bases The dimensions or characteristics of individuals, groups or businesses that are used for dividing a total market into segments

Selection Screening job applicants to ensure the most appropriate candidates are hired

**Self-Actualization** The need for personal fulfilment, to develop potential, to become everything that one is capable of becoming

Self-Esteem How we evaluate ourselves

Self-Serving Bias A situation whereby individuals attribute success to their abilities and failure to the situation

Semi Structured Decisions Decisions where only part of the problem has a clear-cut answer provided by an accepted procedure

Sex Discrimination Discriminatory or disparate treatment of an individual because of his or her sex

Sexism The belief or attitude that one gender or sex is inferior to or less valuable than the other

Situational Approach A viewpoint that emphasizes the importance of the environmental situation in determining (organization) behaviour

Situational Leadership An approach to determining the most effective style of influencing

Social Identity Part of the self-concept which comes from our membership of groups

Social Perception The process of interpreting information about another person

Socio-Technical System A sub-division of the systems approach which is concerned with the interactions between the psychological and social factors, and the needs and demands of the human part of organization and its structural and technological requirements

**Sole Trader** A type of business entity which legally has no separate existence from its owner (the limitations of liability benefited from by a corporation, and limited liability partnerships, do not apply to sole traders) – the simplest form of business

Span of Control A measure of the number of employees who report to one supervisor or manager

**Specialization** The degree to which an organization's activities are divided into specialist roles

Sponsorship The financial or material support of an event, activity, person organization or product by an unrelated organization or donor

Staff Relationship A link between workers in advisory positions and line employees – Staff employees use their specialized expertise to support the efforts of line employees who may choose to act on the advice given

Standardization The degree to which an organization lays down standard rules and procedures

Stereotypes Stereotypes are formed when we ascribe generalizations to people based on their group identities and the tendencies of the whole group rather than seeing a person as an individual

Stereotyping Judging someone on the basis of one's perception of the group to which that person belongs

**Storming** The second stage of group development which involves members of the group getting to know each other and putting forward their views.

Strategic Choice The process whereby power-holders within organizations decide upon courses of strategic action

Strategic Decision Making Determining the long-term objectives, resources and policies of an organization

Strategic Management Process A sequential set of analyses that can increase the likelihood of a firm's choosing a strategy that generates competitive advantages

Strategy Strategy is the direction and scope of an organization over the long term, which achieves advantage in a changing environment through its configuration of resources and competences with the aim of fulfilling stakeholder expectations

Strategy as Position A means of locating an organization in its environment (choice of niche). It can be considered in relation to competitors or simply with respect to markets or an environment at large. Strategy is creating situations where revenues may be generated and sustained

Stress The physical symptoms of ill-health caused by excessive pressures in the workplace or elsewhere and leading to reduced job performance; how far an individual succumbs to stress is determined mainly by personality, and the extent to which they are confident of their ability to overcome the pressures

Structure The structure of an organization is the way in which employees are formally divided into groups for coordination and control

Structured Decisions Decisions that are repetitive, routine and have a definite procedure for handling them

Styles of Leadership Suggests that successful leadership is about the style of behaviour adopted by the leader, usually described as falling within an autocratic—democratic scale

Substantive Agreement A collective agreement dealing with terms and conditions of employment, e.g. wages, hours of work, holidays, etc. (See also Procedure Agreement)

**Sub-System** One part of numerous interdependent elements that comprise the wider system

Succession Planning A process through which senior-level openings are planned for and ultimately filled

Supply Chain A network of manufacturers and service providers that work together to convert and move goods from the raw materials stage through to the end user. These manufacturers and service providers are linked together through physical flows, information flows, and monetary. All of the activities related to the acceptance of an order from a customer and its fulfilment. In its extended format, it also includes connections with suppliers, customers and other business partners

**Supply Chain Management** The management of all activities that facilitate the fulfilment of a customer order for a manufactured good to achieve satisfied customers at reasonable cost

Sustained Competitive Advantage A competitive advantage that lasts for a long period of time; an advantage that is not competed away through strategic imitation

**SWOT Analysis** Summarizes the key issues from the business environment and the strategic capability of an organization both of which are most likely to impact upon strategy development

Symbols Symbols are objects, events, acts or people which express more than their intrinsic content

**System** A set of elements connected together which form a whole, thereby possessing properties of the whole rather than of its component parts

Systems Approach A management approach which is focused on the total work of the organization and the interrelationships of structure and behaviour and the range of variables within the organization. The organization is viewed within its total environment and emphasises the importance of multiple channels in interaction

Systems Theory The study of the behaviour and interactions within and between systems

Systems Thinking A holistic approach to analysis that focuses on the way a system's constituent parts interrelate and how systems work over time and within the context of larger systems

Talent Management A strategic and integrated approach to developing a skilled and competent workforce, involving targeted recruitment, development and training

Tall Hierarchical Structure An organization that has narrow spans of control and a relatively large number of levels of authority

Task Culture A form of culture which is task or job oriented and seeks to bring together the right resources and people and utilizes the unifying power of the group

Taylorism An approach to management based on the theories of F.W. Taylor. See also 'Scientific management'

**Team** Implies a small, cohesive group that works effectively as a single unit through being focused on a common task

Team-Role A pattern of behaviour, characteristic of the way in which one team member interacts with another, where performance facilitates the progress of the team as a whole

**Telecommunications** The exchange of information in any form (e.g., voice, data, text, and images) over networks

Terms of Employment The provisions of a person's contract of employment, whether provided for expressly in the contract itself or incorporated by statute, custom and practice or common law, etc.

Theory Z The management style (characteristic of many Japanese companies) that combines various aspects of scientific management and behaviouralism; the characteristics include long-term employment, development of company-specific skills, participative and collective decision-making and a broad concern for the welfare of workers

Tight Control Severe limitations applied to an individual's freedom

Time and Motion Studies Measurement and recording techniques which attempt to make operations more efficient

Time Management Refers to a range of skills, tools, and techniques used to manage time when accomplishing specific tasks, projects and goals

Time Study A term used in work measurement to indicate the process of timing (usually with a stopwatch) and rating jobs, it involves observing times, adjusting or normalizing each observed time (rating) and averaging the adjusted times Total Quality Management (TQM) A quality approach that emphasizes a continuous process of improvement, through the involvement of people

**Trade Union** An organization of employees whose principal purpose is to negotiate with employers about terms and conditions of employment and other matters affecting the members' interests at work. (See also Certified Trade Union)

Trademark Legal designation indicating that the owner has exclusive use of a brand

Traditional Authority Authority based on the belief that the ruler had a natural right to rule. This right is either God-given or by descent and tradition. The authority enjoyed by kings and queens would be of this type

Training Any intervention aimed at increasing an individual's knowledge or skills

Training & Development The design and delivery of workplace learning to improve performance

Traits Approach to Leadership Assumes leaders are born and not made. Leadership consists of certain inherited characteristics, or personality traits, which distinguish leaders from followers. Attention is focused on the person in the job and not the job itself

Transactional Change Changes to components of the organization such as the structure, systems and processes

**Transformational Change** A fundamental change impacting upon the whole organization (the leader, mission, strategy and culture)

Trigger of Change Any disorganizing pressure indicating that current systems, procedures, rules, organization structures and processes are no longer effective

Triple Bottom Line Reporting Corporate reporting focusing on social and environmental aspects of the company, in addition to traditional financial information

Type A and Type B Personality Profile A typology of personality types in which Type A individuals are described as always being under time pressure, impatient and having a pre-occupation with achievement

Unfair Dismissal A statutory definition of dismissal now part of the Employment Protection (Consolidation) Act, 1978; the Act states that every employee shall have the right not to be unfairly dismissed; remedies for unfair dismissal must be pursued via an industrial tribunal, which may award compensation or reinstatement or re-engagement

Unstructured Decisions Unstructured decisions tend to involve complex situations, where the rules governing the decision are complicated or unknown. Such decisions tend to be made infrequently and rely heavily on the experience, judgement and knowledge of the decision maker

Value Analysis A term used to describe an analytical approach to the function and costs of every part of a product with a view to reducing costs whilst retaining the functional ability; sometimes known as value engineering

Value Creation Performing activities that increase the value of goods or services to consumers

**Value Engineering** An approach to cost reduction in product design that examines the purpose of a product or service, its basic functions and its secondary functions

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Value Perspective A quality perspective that holds that quality must be judged, in part, by how well the characteristics of a particular product or service align with the needs of a specific user. Value is often described in terms of quality and cost i.e. value = higher quality for lower cost (price)

Value System The supply chain within which an organization's value chain is located i.e. includes producers, suppliers, distributors and buyers

Vertical Communication Communication flows up and down the management hierarchy

Virtual Organization Uses information and communications technology to operate without clearly defined physical boundaries between different functions

Visioning Mental process in which images of the desired future (goals, objectives, outcomes) are made explicit motivators for action

Vrio Framework Four questions that must be asked about a resource or capability to determine its competitive potential: the questions of value, rarity, imitabilityand organization

Work Study A term describing several techniques for examining work in all its contexts, in particular those factors affecting economy and efficiency, with a view to making improvements; the two most common techniques of Work Study are Method Study and Work Measurement. (See also Method Study and Work Measurement)

Work—Life Balance Allocation of time and commitment between work and personal life, which reflects the personal needs of the employee