

KEY CONCEPTS – CHAPTER 9

Glossary

Chapter 9	
bureaucracy	an organizational framework marked by rules and procedures, specialization and division of labor, hierarchy of authority, emphasis on technically qualified personnel, and written communications and records.
bureaucratic control	the use of rules, policies, hierarchy of authority, written documentation, standardization, and other bureaucratic mechanisms to standardize behavior and assess performance.
centralization	refers to the level of hierarchy with authority to make decisions.
charismatic authority	authority based on devotion to the exemplary character or to the heroism of an individual person and the order defined by him or her.
clan control	the use of social characteristics, such as shared cultural values, commitment, traditions, and beliefs, to control behavior.
collectivity stage	the life cycle phase in which an organization has strong leadership and begins to develop clear goals and direction.
downsizing	intentionally reducing the size of a company's workforce by laying off employees.
elaboration stage	a mature stage of the life cycle in which a red tape crisis is resolved through the development of a new sense of teamwork and collaboration.
entrepreneurial stage	the life cycle stage in which an organization is born and its emphasis is on creating a product and surviving in the marketplace.
formalization	the degree to which an organization has rules, procedures, and written documentation.
formalization stage	the life cycle stage that involves the installation and use of rules, procedures, and control systems.
life cycle	the concept that organizations are born, grow older, and eventually die.
market control	the use of price competition to evaluate the output and productivity of an organization or its major departments and divisions.
organizational decline	a condition in which a substantial, absolute decrease in an organization's resource base occurs over a period of time.
personnel ratios	the proportions of administrative, clerical, and professional support staff.
rational–legal authority	authority based on employees' belief in the legality of rules and the right of those elevated to positions of authority to issue commands.
traditional authority	authority based on a belief in traditions and in the legitimacy of the status of people exercising authority through those traditions.