

Glossary

A

a-type conflict (affective conflict) disagreement that focuses on individuals or personal issues

absolute comparisons a process in which each decision criterion is compared to a standard or ranked on its own merits

accommodative strategy a social responsiveness strategy in which a company accepts responsibility for a problem and does all that society expects to solve that problem

achievement-oriented leadership a leadership style in which the leader sets challenging goals, has high expectations of employees, and displays confidence that employees will assume responsibility and put forth extraordinary effort

acquaintance time a cultural norm for how much time you must spend getting to know someone before the person is prepared to do business with you

acquisition the purchase of a company by another company

acquisition cost the cost of obtaining data that you don't have

action plan the specific steps, people, and resources needed to accomplish a goal

active listening assuming half the responsibility for successful communication by actively giving the speaker nonjudgmental feedback that shows you've accurately heard what he or she said

address terms cultural norms that establish whether you should address businesspeople by their first names, family names, or titles

adverse impact unintentional discrimination that occurs when members of a particular race, gender, or ethnic group are unintentionally harmed or disadvantaged because they are hired, promoted, or trained (or any other employment decision) at substantially lower rates than others

advocacy groups groups of concerned citizens who band together to try to influence the business practices of specific industries, businesses, and professions

affective cultures cultures in which people display emotions and feelings when communicating

affectivity the stable tendency to experience positive or negative moods and to react to things in a generally positive or negative way

affirmative action purposeful steps taken by an organization to create employment opportunities for minorities and women

age discrimination treating people differently (e.g., in hiring and firing, promotion, and compensation decisions) because of their age

agreeableness the degree to which someone is cooperative, polite, flexible, forgiving, good-natured, tolerant, and trusting

analyzers an adaptive strategy that seeks to minimize risk and maximize profits by following or imitating the proven successes of prospectors

appointment time a cultural norm for how punctual you must be when showing up for scheduled appointments or meetings

Asia-Pacific Economic Cooperation (APEC) a regional trade agreement between Australia, Canada, Chile, the People's Republic of China, Hong Kong, Japan, Mexico, New Zealand, Papua New Guinea, Peru, Russia, South Korea, Taiwan, the United States, and all the members of ASEAN, except Cambodia, Laos, and Myanmar

assemble-to-order operation a manufacturing operation that divides manufacturing processes into separate parts or modules that are combined to create semicustomized products

assessment centers a series of managerial simulations, graded by trained observers, that are used to determine applicants' capability for managerial work

Association of South East Nations (ASEAN) a regional trade agreement between Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam

association or affinity patterns when two or more database elements tend to occur together in a significant way

attack a competitive move designed to reduce a rival's market share or profits

attribution theory a theory that states that we all have a basic need to understand and explain the causes of other people's behavior

authentication making sure potential users are who they claim to be

authoritarianism the extent to which an individual believes there should be power and status differences within organizations

authority the right to give commands, take action, and make decisions to achieve organizational objectives

authorization granting authenticated users approved access to data, software, and systems

autonomy the degree to which a job gives workers the discretion, freedom, and independence to decide how and when to accomplish the job

average aggregate inventory average overall inventory during a particular time period

awareness training training that is designed to raise employees' awareness of diversity issues and to challenge the underlying assumptions or stereotypes they may have about others

B

BCG matrix a portfolio strategy, developed by the Boston Consulting Group, that categorizes a corporation's businesses by growth rate and relative market share, and helps managers decide how to invest corporate funds

background checks procedures used to verify the truthfulness and accuracy of information that applicants provide about themselves and to uncover negative, job-related background information not provided by applicants

balance sheets accounting statements that provide a snapshot of a company's financial position at a particular time

balanced scorecard measurement of organizational performance in four equally important areas: finances, customers, internal operations, and innovation and learning

bar code a visual pattern that represents numerical data by varying the thickness and pattern of vertical bars

bargaining power of buyers a measure of the influence that customers have on a firm's prices

bargaining power of suppliers a measure of the influence that suppliers of parts, materials, and services to firms in an industry have on the prices of these inputs

batch production a manufacturing operation that produces goods in large batches in standard lot sizes

behavior control the regulation of the behaviors and actions that workers perform on the job

behavioral addition the process of having managers and employees perform new behaviors that are central to and symbolic of the new organizational culture that a company wants to create

behavioral formality a workplace atmosphere characterized by routine and regimen, specific rules about how to behave, and impersonal detachment

behavioral informality a workplace atmosphere characterized by spontaneity, casualness, and interpersonal familiarity

behavioral observation scales (BOSs) rating scales that indicate the frequency with which workers perform specific behaviors that are representative of the job dimensions critical to successful job performance

behavioral substitution the process of having managers and employees perform new behaviors central to the "new" organizational culture in place of behaviors that were central to the "old" organizational culture

benchmarking the process of identifying outstanding practices, processes, and standards in other companies and adapting them to your company

biographical data (biodata) extensive surveys that ask applicants questions about their personal backgrounds and life experiences

biometrics identifying users by unique, measurable body features, such as fingerprint recognition or iris scanning

blog a personal Web site that provides personal opinions or recommendations, news summaries, and reader comments

bona fide occupational qualification (BFOQ) an exception in employment law that permits gender, age, religion, and the like to be used when making employment decisions, but only if they are "reasonably necessary to the normal operation of that particular business." BFOQs are strictly monitored by the Equal Employment Opportunity Commission.

bounded rationality a decision-making process restricted in the real world by limited resources, incomplete and imperfect information, and managers' limited decision-making capabilities

brainstorming a decision-making method in which group members build on each others' ideas to generate as many alternative solutions as possible

budgeting quantitative planning through which managers decide how to allocate available money to best accomplish company goals

budgets quantitative plans through which managers decide how to allocate available money to best accomplish company goals

bureaucracy the exercise of control on the basis of knowledge, expertise, or experience

bureaucratic control the use of hierarchical authority to influence employee behavior by rewarding or punishing employees for compliance or noncompliance with organizational policies, rules, and procedures

bureaucratic immunity the ability to make changes without first getting approval from managers or other parts of an organization

business confidence indices indices that show managers' level of confidence about future business growth

buyer dependence the degree to which a supplier relies on a buyer because of the importance of that buyer to the supplier and the difficulty of finding other buyers for its products

C

c-type conflict (cognitive conflict) disagreement that focuses on problem- and issue-related differences of opinion

cafeteria benefit plans (flexible benefit plans) plans that allow employees to choose which benefits they receive, up to a certain dollar value

cash cow a company with a large share of a slow-growing market

- cash flow analysis** a type of analysis that predicts how changes in a business will affect its ability to take in more cash than it pays out
- Central America Free Trade Agreement (CAFTA)** a regional trade agreement between Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and the United States
- centralization of authority** the location of most authority at the upper levels of the organization
- chain of command** the vertical line of authority that clarifies who reports to whom throughout the organization
- change agent** the person formally in charge of guiding a change effort
- change forces** forces that produce differences in the form, quality, or condition of an organization over time
- change intervention** the process used to get workers and managers to change their behavior and work practices
- character of the rivalry** a measure of the intensity of competitive behavior between companies in an industry
- charismatic leadership** the behavioral tendencies and personal characteristics of leaders that create an exceptionally strong relationship between them and their followers
- closed systems** systems that can sustain themselves without interacting with their environments
- closure** the tendency to fill in gaps of missing information by assuming that what we don't know is consistent with what we already know
- coaching** communicating with someone for the direct purpose of improving the person's on-the-job performance or behavior
- coercion** using formal power and authority to force others to change
- cognitive ability tests** tests that measure the extent to which applicants have abilities in perceptual speed, verbal comprehension, numerical aptitude, general reasoning, and spatial aptitude
- cognitive maps** graphic depictions of how managers believe environmental factors relate to possible organizational actions
- cohesiveness** the extent to which team members are attracted to a team and motivated to remain in it
- commission** a compensation system in which employees earn a percentage of each sale they make
- communication** the process of transmitting information from one person or place to another
- communication cost** the cost of transmitting information from one place to another
- communication medium** the method used to deliver an oral or written message
- company hotlines** phone numbers that anyone in the company can call anonymously to leave information for upper management
- company vision** a company's purpose or reason for existing
- compensation** the financial and nonfinancial rewards that organizations give employees in exchange for their work
- competitive advantage** providing greater value for customers than competitors can
- competitive analysis** a process for monitoring the competition that involves identifying competition, anticipating their moves, and determining their strengths and weaknesses
- competitive inertia** a reluctance to change strategies or competitive practices that have been successful in the past
- competitors** companies in the same industry that sell similar products or services to customers
- complex environment** an environment with many environmental factors
- complex matrix** a form of matrix departmentalization in which managers in different parts of the matrix report to matrix managers, who help them sort out conflicts and problems
- component parts inventories** the basic parts used in manufacturing that are fabricated from raw materials
- compression approach to innovation** an approach to innovation that assumes that incremental innovation can be planned using a series of steps and that compressing those steps can speed innovation
- compromise** an approach to dealing with conflict in which both parties deal with the conflict by giving up some of what they want in order to reach agreement on a plan to reduce or settle the conflict
- concentration of effect** the total harm or benefit that an act produces on the average person
- conceptual skills** the ability to see the organization as a whole, understand how the different parts affect each other, and recognize how the company fits into or is affected by its environment
- concertive control** the regulation of workers' behavior and decisions through work group values and beliefs
- concurrent control** a mechanism for gathering information about performance deficiencies as they occur, thereby eliminating or shortening the delay between performance and feedback
- conduit metaphor** the mistaken assumption that senders can pipe their intended messages directly into the heads of receivers with perfect clarity and without noise or perceptual filters interfering with the receivers' understanding of the message
- conscientiousness** the degree to which someone is organized, hardworking, responsible, persevering, thorough, and achievement oriented
- consideration** the extent to which a leader is friendly, approachable, and supportive and shows concern for employees
- consistent organizational cultures** when a company actively defines and teaches organizational values, beliefs, and attitudes
- constructive feedback** feedback intended to be helpful, corrective, and/or encouraging
- contingency approach** holds that there are no universal management theories and that the most effective management theory or idea depends on the kinds of problems or situations that managers are facing at a particular time and place
- contingency theory** a leadership theory that states that in order to maximize work group performance, leaders must be matched to the situation that best fits their leadership style
- continuous-flow production** a manufacturing operation that produces goods at a continuous, rather than a discrete, rate
- continuous improvement** an organization's ongoing commitment to constantly assess and improve the processes and procedures used to create products and services

- continuous reinforcement schedule** a schedule that requires a consequence to be administered following every instance of a behavior
- control** a regulatory process of establishing standards to achieve organizational goals, comparing actual performance against the standards, and taking corrective action, when necessary
- control loss** the situation in which behavior and work procedures do not conform to standards
- controlling** monitoring progress toward goal achievement and taking corrective action when needed
- conventional level of moral development** the second level of moral development in which people make decisions that conform to societal expectations
- cooperative contract** an agreement in which a foreign business owner pays a company a fee for the right to conduct that business in his or her country
- core capabilities** the internal decision-making routines, problem-solving processes, and organizational cultures that determine how efficiently inputs can be turned into outputs
- core firms** the central companies in a strategic group
- corporate portal** a hybrid of executive information systems and intranets that allows managers and employees to use a Web browser to gain access to customized company information and to complete specialized transactions
- corporate talk shows** televised company meetings that allow remote audiences (employees) to pose questions to the show's host and guests
- corporate-level strategy** the overall organizational strategy that addresses the question "What business or businesses are we in or should we be in?"
- cost leadership** the positioning strategy of producing a product or service of acceptable quality at consistently lower production costs than competitors can, so that the firm can offer the product or service at the lowest price in the industry
- counseling** communicating with someone about non-job-related issues that may be affecting or interfering with the person's performance
- creative work environments** workplace cultures in which workers perceive that new ideas are welcomed, valued, and encouraged
- creativity** the production of novel and useful ideas
- cross-cultural communication** transmitting information from a person in one country or culture to a person from another country or culture
- cross-functional team** a team composed of employees from different functional areas of the organization
- cross training** training team members to do all or most of the jobs performed by the other team members
- customer defections** a performance assessment in which companies identify which customers are leaving and measure the rate at which they are leaving
- customer departmentalization** organizing work and workers into separate units responsible for particular kinds of customers
- customer focus** an organizational goal to concentrate on meeting customers' needs at all levels of the organization
- customer satisfaction** an organizational goal to provide products or services that meet or exceed customers' expectations
- customs classification** a classification assigned to imported products by government officials that affects the size of the tariff and imposition of import quotas
- cybernetic** the process of steering or keeping on course
- cybernetic feasibility** the extent to which it is possible to implement each step in the control process
- D**
- data clusters** when three or more database elements occur together (i.e., cluster) in a significant way
- data encryption** the transformation of data into complex, scrambled digital codes that can be unencrypted only by authorized users who possess unique decryption keys
- data mining** the process of discovering unknown patterns and relationships in large amounts of data
- data warehouse** stores huge amounts of data that have been prepared for data mining analysis by being cleaned of errors and redundancy
- decentralization** the location of a significant amount of authority in the lower levels of the organization
- decision criteria** the standards used to guide judgments and decisions
- decision making** the process of choosing a solution from available alternatives
- decision support system (DSS)** an information system that helps managers understand specific kinds of problems and potential solutions and analyze the impact of different decision options using "what if" scenarios
- decoding** the process by which the receiver translates the written, verbal, or symbolic form of a message into an understood message
- deep-level diversity** differences such as personality and attitudes that are communicated through verbal and nonverbal behaviors and are learned only through extended interaction with others
- defenders** an adaptive strategy aimed at defending strategic positions by seeking moderate, steady growth and by offering a limited range of high-quality products and services to a well-defined set of customers
- defensive bias** the tendency for people to perceive themselves as personally and situationally similar to someone who is having difficulty or trouble
- defensive strategy** a social responsiveness strategy in which a company admits responsibility for a problem but does the least required to meet societal expectations
- de-forming** a reversal of the forming stage, in which team members position themselves to control pieces of the team, avoid each other, and isolate themselves from team leaders
- delegation of authority** the assignment of direct authority and responsibility to a subordinate to complete tasks for which the manager is normally responsible
- Delphi technique** a decision-making method in which members of a panel of experts respond to questions and to each other until reaching agreement on an issue
- de-norming** a reversal of the norming stage, in which team performance begins to decline as the size, scope, goal, or members of the team change

- departmentalization** subdividing work and workers into separate organizational units responsible for completing particular tasks
- dependent demand system** an inventory system in which the level of inventory depends on the number of finished units to be produced
- design competition** competition between old and new technologies to establish a new technological standard or dominant design
- design iteration** a cycle of repetition in which a company tests a prototype of a new product or service, improves on that design, and then builds and tests the improved prototype
- de-storming** a reversal of the storming phase, in which the team's comfort level decreases, team cohesion weakens, and angry emotions and conflict may flare
- destructive feedback** feedback that disapproves without any intention of being helpful and almost always causes a negative or defensive reaction in the recipient
- devil's advocacy** a decision-making method in which an individual or a subgroup is assigned the role of a critic
- dialectical inquiry** a decision-making method in which decision makers state the assumptions of a proposed solution (a thesis) and generate a solution that is the opposite (antithesis) of that solution
- differentiation** the positioning strategy of providing a product or service that is sufficiently different from competitors' offerings that customers are willing to pay a premium price for it
- direct competition** the rivalry between two companies that offer similar products and services, acknowledge each other as rivals, and act and react to each other's strategic actions
- direct foreign investment** a method of investment in which a company builds a new business or buys an existing business in a foreign country
- directive leadership** a leadership style in which the leader lets employees know precisely what is expected of them, gives them specific guidelines for performing tasks, schedules work, sets standards of performance, and makes sure that people follow standard rules and regulations
- disability** a mental or physical impairment that substantially limits one or more major life activities
- disability discrimination** treating people differently because of their disabilities
- discontinuous change** the phase of a technology cycle characterized by technological substitution and design competition
- discretionary responsibilities** the expectation that a company will voluntarily serve a social role beyond its economic, legal, and ethical responsibilities
- discussion time** a cultural norm for how much time should be spent in discussion with others
- disparate treatment** intentional discrimination that occurs when people are purposely not given the same hiring, promotion, or membership opportunities because of their race, color, gender, age, ethnic group, national origin, or religious beliefs
- disposition** the tendency to respond to situations and events in a predetermined manner
- disseminator role** the informational role managers play when they share information with others in their departments or companies
- distal goals** long-term or primary goals
- distinctive competence** what a company can make, do, or perform better than its competitors
- distributive justice** the perceived degree to which outcomes and rewards are fairly distributed or allocated
- disturbance handler role** the decisional role managers play when they respond to severe problems that demand immediate action
- diversification** a strategy for reducing risk by buying a variety of items (stocks or, in the case of a corporation, types of businesses) so that the failure of one stock or one business does not doom the entire portfolio
- diversity** a variety of demographic, cultural, and personal differences among an organization's employees and customers
- diversity audits** formal assessments that measure employee and management attitudes, investigate the extent to which people are advantaged or disadvantaged with respect to hiring and promotions, and review companies' diversity-related policies and procedures
- diversity pairing** a mentoring program in which people of different cultural backgrounds, genders, or races/ethnicities are paired together to get to know each other and change stereotypical beliefs and attitudes
- dog** a company with a small share of a slow-growing market
- dominant design** a new technological design or process that becomes the accepted market standard
- domination** an approach to dealing with conflict in which one party deals with the conflict by satisfying its desires and objectives at the expense of the other party's desires and objectives
- downsizing** the planned elimination of jobs in a company
- downward communication** communication that flows from higher to lower levels in an organization
- dynamic environment** an environment in which the rate of change is fast
- dysfunctional turnover** loss of high-performing employees who voluntarily choose to leave a company
- E**
- early retirement incentive programs (ERIPs)** programs that offer financial benefits to employees to encourage them to retire early
- economic order quantity (EOQ)** a system of formulas that minimizes ordering and holding costs and helps determine how much and how often inventory should be ordered
- economic responsibility** the expectation that a company will make a profit by producing a valued product or service
- economic value added (EVA)** the amount by which company profits (revenues, minus expenses, minus taxes) exceed the cost of capital in a given year
- efficiency** getting work done with a minimum of effort, expense, or waste
- effectiveness** accomplishing tasks that help fulfill organizational objectives

- electronic brainstorming** a decision-making method in which group members use computers to build on each others' ideas and generate many alternative solutions
- electronic data interchange (EDI)** when two companies convert their purchase and ordering information to a standardized format to enable the direct electronic transmission of that information from one company's computer system to the other company's computer system
- electronic scanner** an electronic device that converts printed text and pictures into digital images
- emotional stability** the degree to which someone is not angry, depressed, anxious, emotional, insecure, and excitable
- empathetic listening** understanding the speaker's perspective and personal frame of reference and giving feedback that conveys that understanding to the speaker
- employee involvement team** team that provides advice or makes suggestions to management concerning specific issues
- employee separation** the voluntary or involuntary loss of an employee
- employee shrinkage** employee theft of company merchandise
- employee stock ownership plan (ESOP)** a compensation system that awards employees shares of company stock in addition to their regular compensation
- employee turnover** loss of employees who voluntarily choose to leave the company
- employment benefits** a method of rewarding employees that includes virtually any kind of compensation other than wages or salaries
- employment references** sources such as previous employers or coworkers who can provide job-related information about job candidates
- empowering workers** permanently passing decision-making authority and responsibility from managers to workers by giving them the information and resources they need to make and carry out good decisions
- empowerment** feelings of intrinsic motivation, in which workers perceive their work to have impact and meaning and perceive themselves to be competent and capable of self-determination
- encoding** putting a message into a written, verbal, or symbolic form that can be recognized and understood by the receiver
- entrepreneur role** the decisional role managers play when they adapt themselves, their subordinates, and their units to incremental change
- entrepreneurial orientation** the set of processes, practices, and decision-making activities that lead to new entry, characterized by five dimensions: risk taking, autonomy, innovativeness, proactiveness, and competitive aggressiveness
- entrepreneurship** the process of entering new or established markets with new goods or services
- entropy** the inevitable and steady deterioration of a system
- environmental change** the rate at which a company's general and specific environments change
- environmental complexity** the number of external factors in the environment that affect organizations
- environmental scanning** searching the environment for important events or issues that might affect an organization
- equity theory** a theory that states that people will be motivated when they perceive that they are being treated fairly
- ethical behavior** behavior that conforms to a society's accepted principles of right and wrong
- ethical charismatics** charismatic leaders who provide developmental opportunities for followers, are open to positive and negative feedback, recognize others' contributions, share information, and have moral standards that emphasize the larger interests of the group, organization, or society
- ethical intensity** the degree of concern people have about an ethical issue
- ethical responsibility** the expectation that a company will not violate accepted principles of right and wrong when conducting its business
- ethics** the set of moral principles or values that defines right and wrong for a person or group
- evaluation apprehension** fear of what others will think of your ideas
- executive information system (EIS)** a data processing system that uses internal and external data sources to provide the information needed to monitor and analyze organizational performance
- expatriate** someone who lives and works outside his or her native country
- expectancy** the perceived relationship between effort and performance
- expectancy theory** a theory that states that people will be motivated to the extent to which they believe that their efforts will lead to good performance, that good performance will be rewarded, and that they will be offered attractive rewards
- experiential approach to innovation** an approach to innovation that assumes a highly uncertain environment and uses intuition, flexible options, and hands-on experience to reduce uncertainty and accelerate learning and understanding
- expert system** an information system that contains the specialized knowledge and decision rules used by experts and experienced decision makers so that nonexperts can draw on this knowledge base to make decisions
- exporting** selling domestically produced products to customers in foreign countries
- external environments** all events outside a company that have the potential to influence or affect it
- external locus of control** the belief that what happens to you is largely the result of factors beyond your control
- external recruiting** the process of developing a pool of qualified job applicants from outside the company
- extinction** reinforcement in which a positive consequence is no longer allowed to follow a previously reinforced behavior, thus weakening the behavior
- extranets** networks that allow companies to exchange information and conduct transactions with outsiders by providing them direct, Web-based access to authorized parts of a company's intranet or information system
- extraversion** the degree to which someone is active, assertive, gregarious, sociable, talkative, and energized by others
- extrinsic reward** a reward that is tangible, visible to others, and given to employees contingent on the performance of specific tasks or behaviors
- F**
- feedback** the amount of information the job provides to workers about their work performance
- feedback control** a mechanism for gathering information about performance deficiencies after they occur

- feedback to sender** in the communication process, a return message to the sender that indicates the receiver's understanding of the message
- feedforward control** a mechanism for monitoring performance inputs rather than outputs to prevent or minimize performance deficiencies before they occur
- figurehead role** the interpersonal role managers play when they perform ceremonial duties
- financial ratios** calculations typically used to track a business's liquidity (cash), efficiency, and profitability over time compared to other businesses in its industry
- finished goods inventories** the final outputs of manufacturing operations
- firewall** a protective hardware or software device that sits between the computers in an internal organizational network and outside networks, such as the Internet
- firm-level strategy** a corporate strategy that addresses the question "How should we compete against a particular firm?"
- first-line managers** managers who train and supervise the performance of nonmanagerial employees who are directly responsible for producing the company's products or services
- first-mover advantage** the strategic advantage that companies earn by being the first to use new information technology to substantially lower costs or to make a product or service different from that of competitors
- fixed interval reinforcement schedule** an intermittent schedule in which consequences follow a behavior only after a fixed time has elapsed
- fixed ratio reinforcement schedule** an intermittent schedule in which consequences are delivered following a specific number of behaviors
- flow** a psychological state of effortlessness, in which you become completely absorbed in what you're doing and time seems to pass quickly
- focus strategy** the positioning strategy of using cost leadership or differentiation to produce a specialized product or service for a limited, specially targeted group of customers in a particular geographic region or market segment
- formal communication channel** the system of official channels that carry organizationally approved messages and information
- forming** the first stage of team development, in which team members meet each other, form initial impressions, and begin to establish team norms
- four-fifths (or 80 percent) rule** a rule of thumb used by the courts and the EEOC to determine whether there is evidence of adverse impact. A violation of this rule occurs when the selection rate for a protected group is less than 80 percent or four-fifths of the selection rate for a nonprotected group.
- franchise** a collection of networked firms in which the manufacturer or marketer of a product or service, the franchisor, licenses the entire business to another person or organization, the franchisee
- Free Trade Area of the Americas (FTAA)** a regional trade agreement that, when signed, will create a regional trading zone encompassing 34 countries in North and South America
- functional departmentalization** organizing work and workers into separate units responsible for particular business functions or areas of expertise
- functional turnover** loss of poor-performing employees who voluntarily choose to leave a company
- fundamental attribution error** the tendency to ignore external causes of behavior and to attribute other people's actions to internal causes
- G**
- gainsharing** a compensation system in which companies share the financial value of performance gains, such as productivity, cost savings, or quality, with their workers
- Gantt chart** a graphical chart that shows which tasks must be completed at which times in order to complete a project or task
- gender discrimination** treating people differently because of their gender
- General Agreement on Tariffs and Trade (GATT)** a worldwide trade agreement that reduced and eliminated tariffs, limited government subsidies, and established protections for intellectual property
- General Electric workout** a three-day meeting in which managers and employees from different levels and parts of an organization quickly generate and act on solutions to specific business problems
- general environment** the economic, technological, sociocultural, and political trends that indirectly affect all organizations
- generational change** change based on incremental improvements to a dominant technological design such that the improved technology is fully backward compatible with the older technology
- geographic departmentalization** organizing work and workers into separate units responsible for doing business in particular geographic areas
- glass ceiling** the invisible barrier that prevents women and minorities from advancing to the top jobs in organizations
- global business** the buying and selling of goods and services by people from different countries
- global consistency** when a multinational company has offices, manufacturing plants, and distribution facilities in different countries and runs them all using the same rules, guidelines, policies, and procedures
- global new ventures** new companies that are founded with an active global strategy and have sales, employees, and financing in different countries
- goal** a target, objective, or result that someone tries to accomplish
- goal acceptance** the extent to which people consciously understand and agree to goals
- goal commitment** the determination to achieve a goal
- goal difficulty** the extent to which a goal is hard or challenging to accomplish
- goal-setting theory** a theory that states that people will be motivated to the extent to which they accept specific, challenging goals and receive feedback that indicates their progress toward goal achievement
- goal specificity** the extent to which goals are detailed, exact, and unambiguous

government import standard a standard ostensibly established to protect the health and safety of citizens but, in reality, often used to restrict imports

grand strategy a broad corporate-level strategic plan used to achieve strategic goals and guide the strategic alternatives that managers of individual businesses or subunits may use

groupthink a barrier to good decision making caused by pressure within the group for members to agree with each other

growth strategy a strategy that focuses on increasing profits, revenues, market share, or the number of places in which the company does business

H

hearing the act or process of perceiving sounds

holding cost the cost of keeping inventory until it is used or sold, including storage, insurance, taxes, obsolescence, and opportunity costs

horizontal communication communication that flows among managers and workers who are at the same organizational level

hostile work environment a form of sexual harassment in which unwelcome and demeaning sexually related behavior creates an intimidating and offensive work environment

human resource information system (HRIS) a computerized system for gathering, analyzing, storing, and disseminating information related to the HRM process

human resource management (HRM) the process of finding, developing, and keeping the right people to form a qualified work force

human resource planning (HRP) using an organization's goals and strategy to forecast the organization's human resource needs in terms of attracting, developing, and keeping a qualified work force

human skills the ability to work well with others

I

ISO 9000 a series of five international standards, from ISO 9000 to ISO 9004, for achieving consistency in quality management and quality assurance in companies throughout the world

ISO 14000 a series of international standards for managing, monitoring, and minimizing an organization's harmful effects on the environment

imperfectly imitable resources resources that are impossible or extremely costly or difficult for other firms to duplicate

income statements accounting statements, also called "profit and loss statements," that show what has happened to an organization's income, expenses, and net profit over a period of time

incremental change the phase of a technology cycle in which companies innovate by lowering costs and improving the functioning and performance of the dominant technological design

independent demand system an inventory system in which the level of one kind of inventory does not depend on another

individualism-collectivism the degree to which a person believes that people should be self-sufficient and that loyalty to one's self is more important than loyalty to team or company

industry regulation regulations and rules that govern the business practices and procedures of specific industries, businesses, and professions

industry-level strategy a corporate strategy that addresses the question "How should we compete in this industry?"

informal communication channel ("grapevine") the transmission of messages from employee to employee outside of formal communication channels

information useful data that can influence people's choices and behavior

initiating structure the degree to which a leader structures the roles of followers by setting goals, giving directions, setting deadlines, and assigning tasks

innovation streams patterns of innovation over time that can create sustainable competitive advantage

inputs in equity theory, the contributions employees make to the organization

instrumentality the perceived relationship between performance and rewards

integrative conflict resolution an approach to dealing with conflict in which both parties deal with the conflict by indicating their preferences and then working together to find an alternative that meets the needs of both

intermittent reinforcement schedule a schedule in which consequences are delivered after a specified or average time has elapsed or after a specified or average number of behaviors has occurred

internal environment the events and trends inside an organization that affect management, employees, and organizational culture

internal locus of control the belief that what happens to you is largely the result of your own actions

internal motivation motivation that comes from the job itself rather than from outside rewards

internal recruiting the process of developing a pool of qualified job applicants from people who already work in the company

interorganizational process a collection of activities that take place among companies to transform inputs into outputs that customers value

interpersonal skills skills, such as listening, communicating, questioning, and providing feedback, that enable people to have effective working relationships with others

interviews a selection tool in which company representatives ask job applicants job-related questions to determine whether they are qualified for the job

intranets private company networks that allow employees to easily access, share, and publish information using Internet software

intraorganizational process the collection of activities that take place within an organization to transform inputs into outputs that customers value

intrapreneurship entrepreneurship within an existing organization

intrinsic reward a natural reward associated with performing a task or activity for its own sake

inventory the amount and number of raw materials, parts, and finished products that a company has in its possession

inventory turnover the number of times per year that a company sells or "turns over" its average inventory

J

- job analysis** a purposeful, systematic process for collecting information on the important work-related aspects of a job
- job characteristics model (JCM)** an approach to job redesign that seeks to formulate jobs in ways that motivate workers and lead to positive work outcomes
- job description** a written description of the basic tasks, duties, and responsibilities required of an employee holding a particular job
- job design** the number, kind, and variety of tasks that individual workers perform in doing their jobs
- job enlargement** increasing the number of different tasks that a worker performs within one particular job
- job enrichment** increasing the number of tasks in a particular job and giving workers the authority and control to make meaningful decisions about their work
- job evaluation** a process that determines the worth of each job in a company by evaluating the market value of the knowledge, skills, and requirements needed to perform it
- job rotation** periodically moving workers from one specialized job to another to give them more variety and the opportunity to use different skills
- job shops** manufacturing operations that handle custom orders or small batch jobs
- job specialization** a job composed of a small part of a larger task or process
- job specifications** a written summary of the qualifications needed to successfully perform a particular job
- joint venture** a strategic alliance in which two existing companies collaborate to form a third, independent company
- just-in-time (JIT) inventory system** an inventory system in which component parts arrive from suppliers just as they are needed at each stage of production

K

- kanban** a ticket-based JIT system that indicates when to reorder inventory
- kinesics** movements of the body and face
- knowledge** the understanding that one gains from information

L

- leader role** the interpersonal role managers play when they motivate and encourage workers to accomplish organizational objectives
- leader-member relations** the degree to which followers respect, trust, and like their leaders
- leadership** the process of influencing others to achieve group or organizational goals
- leadership neutralizers** subordinate, task, or organizational characteristics that can interfere with a leader's actions or make it impossible for a leader to influence followers' performance
- leadership style** the way a leader generally behaves toward followers
- leadership substitutes** subordinate, task, or organizational characteristics that make leaders redundant or unnecessary
- leading** inspiring and motivating workers to work hard to achieve organizational goals
- learning-based planning** learning better ways of achieving goals by continually testing, changing, and improving plans and strategies

- legal responsibility** the expectation that a company will obey society's laws and regulations
- liaison role** the interpersonal role managers play when they deal with people outside their units
- licensing** an agreement in which a domestic company, the licensor, receives royalty payments for allowing another company, the licensee, to produce the licensor's product, sell its service, or use its brand name in a specified foreign market
- line authority** the right to command immediate subordinates in the chain of command
- line function** an activity that contributes directly to creating or selling the company's products
- line-flow production** manufacturing processes that are preestablished, occur in a serial or linear manner, and are dedicated to making one type of product
- listening** making a conscious effort to hear
- local adaptation** when a multinational company modifies its rules, guidelines, policies, and procedures to adapt to differences in foreign customers, governments, and regulatory agencies
- locus of control** the degree to which individuals believe that their actions can influence what happens to them

M

- Maastricht Treaty of Europe** a regional trade agreement between most European countries
- Machiavellian** the extent to which individuals believe that virtually any type of behavior is acceptable in trying to satisfy their needs or meet their goals
- magnitude of consequences** the total harm or benefit derived from an ethical decision
- make-to-order operation** a manufacturing operation that does not start processing or assembling products until a customer order is received
- make-to-stock operation** a manufacturing operation that orders parts and assembles standardized products before receiving customer orders
- management** getting work done through others
- management by objectives (MBO)** a four-step process in which managers and employees discuss and select goals, develop tactical plans, and meet regularly to review progress toward goal accomplishment
- manufacturing flexibility** the degree to which manufacturing operations can easily and quickly change the number, kind, and characteristics of products they produce
- market commonality** the degree to which two companies have overlapping products, services, or customers in multiple markets
- materials requirement planning (MRP)** a production and inventory system that determines the production schedule, production batch sizes, and inventory needed to complete final products
- matrix departmentalization** a hybrid organizational structure in which two or more forms of departmentalization, most often product and functional, are used together
- maximizing** choosing the best alternative
- mechanistic organization** an organization characterized by specialized jobs and responsibilities, precisely defined, unchanging roles, and a rigid chain of command based on centralized authority and vertical communication

media advocacy an advocacy group tactic that involves framing issues as public issues; exposing questionable, exploitative, or unethical practices; and forcing media coverage by buying media time or creating controversy that is likely to receive extensive news coverage

meta-analysis a study of studies, a statistical approach that provides one of the best scientific estimates of how well management theories and practices work

middle managers managers responsible for setting objectives consistent with top management's goals and for planning and implementing subunit strategies for achieving these objectives

milestones formal project review points used to assess progress and performance

mission a statement of a company's overall goal that unifies company-wide efforts toward its vision, stretches and challenges the organization, and possesses a finish line and a time frame

modular organization an organization that outsources noncore business activities to outside companies, suppliers, specialists, or consultants

monitor role the informational role managers play when they scan their environment for information

monochronic cultures cultures in which people tend to do one thing at a time and view time as linear

mood linkage a phenomenon in which one worker's negative affectivity and bad moods can spread to others

Moore's law the prediction that every 18 months, the cost of computing will drop by 50 percent as computer-processing power doubles

motion study breaking each task or job into its separate motions and then eliminating those that are unnecessary or repetitive

motivation the set of forces that initiates, directs, and makes people persist in their efforts to accomplish a goal

motivation to manage an assessment of how enthusiastic employees are about managing the work of others

multifactor productivity an overall measure of performance that indicates how much labor, capital, materials, and energy it takes to produce an output

multifunctional teams work teams composed of people from different departments

multinational corporation a corporation that owns businesses in two or more countries

N

national culture the set of shared values and beliefs that affects the perceptions, decisions, and behavior of the people from a particular country

needs the physical or psychological requirements that must be met to ensure survival and well-being

needs assessment the process of identifying and prioritizing the learning needs of employees

negative affectivity a personality trait in which individuals tend to notice and focus on the negative aspects of themselves and their environments

negative reinforcement reinforcement that strengthens behavior by withholding an unpleasant consequence when employees perform a specific behavior

negotiator role the decisional role managers play when they negotiate schedules, projects, goals, outcomes, resources, and employee raises

neutral cultures cultures in which people do not display emotions and feelings when communicating

noise anything that interferes with the transmission of the intended message

nominal group technique a decision-making method that begins and ends by having group members quietly write down and evaluate ideas to be shared with the group

nonsubstitutable resource a resource that produces value or competitive advantage and has no equivalent substitutes or replacements

nontariff barriers nontax methods of increasing the cost or reducing the volume of imported goods

nonverbal communication any communication that doesn't involve words

normative control the regulation of workers' behavior and decisions through widely shared organizational values and beliefs

normative decision theory a theory that suggests how leaders can determine an appropriate amount of employee participation when making decisions

norming the third stage of team development, in which team members begin to settle into their roles, group cohesion grows, and positive team norms develop

norms informally agreed-on standards that regulate team behavior

North American Free Trade Agreement (NAFTA) a regional trade agreement between the United States, Canada, and Mexico

O

objective control the use of observable measures of worker behavior or outputs to assess performance and influence behavior

objective performance measures measures of job performance that are easily and directly counted or quantified

online discussion forums the in-house equivalent of Internet newsgroups. By using Web- or software-based discussion tools that are available across the company, employees can easily ask questions and share knowledge with each other.

open office systems offices in which the physical barriers that separate workers have been removed in order to increase communication and interaction

open systems systems that can sustain themselves only by interacting with their environments, on which they depend for their survival

openness to experience the degree to which someone is curious, broad-minded, and open to new ideas, things, and experiences; is spontaneous; and has a high tolerance for ambiguity

operational plans day-to-day plans, developed and implemented by lower-level managers, for producing or delivering the organization's products and services over a 30-day to six-month period

operations management managing the daily production of goods and services

opportunistic behavior a transaction in which one party in the relationship benefits at the expense of the other

optical character recognition the ability of software to convert digitized documents into ASCII text (American Standard Code for Information Interchange) that can be searched,

- read, and edited by word processing and other kinds of software
- options-based planning** maintaining planning flexibility by making small, simultaneous investments in many alternative plans
- ordering cost** the costs associated with ordering inventory, including the cost of data entry, phone calls, obtaining bids, correcting mistakes, and determining when and how much inventory to order
- organic organization** an organization characterized by broadly defined jobs and responsibility, loosely defined, frequently changing roles, and decentralized authority and horizontal communication based on task knowledge
- organization** a system of consciously coordinated activities or forces created by two or more people
- organizational change** a difference in the form, quality, or condition of an organization over time
- organizational culture** the values, beliefs, and attitudes shared by organizational members
- organizational decline** a large decrease in organizational performance that occurs when companies don't anticipate, recognize, neutralize, or adapt to the internal or external pressures that threaten their survival
- organizational development** a philosophy and collection of planned change interventions designed to improve an organization's long-term health and performance
- organizational heroes** people celebrated for their qualities and achievements within an organization
- organizational innovation** the successful implementation of creative ideas in organizations
- organizational plurality** a work environment where (1) all members are empowered to contribute in a way that maximizes the benefits to the organization, customers, and themselves, and (2) the individuality of each member is respected by not segmenting or polarizing people on the basis of their membership in a particular group
- organizational process** the collection of activities that transform inputs into outputs that customers value
- organizational silence** when employees withhold information about organizational problems or issues
- organizational stories** stories told by organizational members to make sense of organizational events and changes and to emphasize culturally consistent assumptions, decisions, and actions
- organizational structure** the vertical and horizontal configuration of departments, authority, and jobs within a company
- organizing** deciding where decisions will be made, who will do what jobs and tasks, and who will work for whom
- outcome/input (O/I) ratio** in equity theory, an employee's perception of how the rewards received from an organization compare with the employee's contributions to that organization
- outcomes** in equity theory, the rewards employees receive for their contributions to the organization
- outplacement services** employment-counseling services offered to employees who are losing their jobs because of downsizing
- output control** the regulation of workers' results or outputs through rewards and incentives
- overreward** when you are getting more outcomes relative to inputs than the referent to whom you compare yourself
- overt integrity test** a written test that estimates job applicants' honesty by directly asking them what they think or feel about theft or about punishment of unethical behaviors
- P**
- paralanguage** the pitch, rate, tone, volume, and speaking pattern (i.e., use of silences, pauses, or hesitations) of one's voice
- partial productivity** a measure of performance that indicates how much of a particular kind of input it takes to produce an output
- participative leadership** a leadership style in which the leader consults employees for their suggestions and input before making decisions
- path-goal theory** a leadership theory that states that leaders can increase subordinate satisfaction and performance by clarifying and clearing the paths to goals and by increasing the number and kinds of rewards available for goal attainment
- perception** the process by which individuals attend to, organize, interpret, and retain information from their environments
- perceptual filters** the personality-, psychology-, or experience-based differences that influence people to ignore or pay attention to particular stimuli
- performance appraisal** the process of assessing how well employees are doing their jobs
- performance feedback** information about the quality or quantity of past performance that indicates whether progress is being made toward the accomplishment of a goal
- performing** the fourth and final stage of team development, in which performance improves because the team has matured into an effective, fully functioning team
- personal aggression** hostile or aggressive behavior toward others
- personality** the relatively stable set of behaviors, attitudes, and emotions displayed over time that makes people different from each other
- personality-based integrity test** a written test that indirectly estimates job applicants' honesty by measuring psychological traits, such as dependability and conscientiousness
- personality tests** tests that measure the extent to which applicants possess different kinds of job-related personality dimensions
- phased retirement** employees transition to retirement by working reduced hours over a period of time before completing retiring
- piecework** a compensation system in which employees are paid a set rate for each item they produce
- planning (management functions)** determining organizational goals and a means for achieving them
- planning** choosing a goal and developing a strategy to achieve that goal
- policy** a standing plan that indicates the general course of action that should be taken in response to a particular event or situation
- policy uncertainty** the risk associated with changes in laws and government policies that directly affect the way foreign companies conduct business

- political deviance** using one's influence to harm others in the company
- political uncertainty** the risk of major changes in political regimes that can result from war, revolution, death of political leaders, social unrest, or other influential events
- polychronic cultures** cultures in which people tend to do more than one thing at a time and view times as circular
- pooled interdependence** work completed by having each job or department independently contribute to the whole
- portfolio strategy** a corporate-level strategy that minimizes risk by diversifying investment among various businesses or product lines
- position power** the degree to which leaders are able to hire, fire, reward, and punish workers
- positive affectivity** a personality trait in which individuals tend to notice and focus on the positive aspects of themselves and their environments
- positive reinforcement** reinforcement that strengthens behavior by following behaviors with desirable consequences
- postconventional level of moral development** the third level of moral development in which people make decisions based on internalized principles
- preconventional level of moral development** the first level of moral development in which people make decisions based on selfish reasons
- predictive patterns** patterns that help identify database elements that are different
- primary stakeholder** any group on which an organization relies for its long-term survival
- principle of distributive justice** an ethical principle that holds that you should never take any action that harms the least among us: the poor, the uneducated, the unemployed
- principle of government requirements** an ethical principle that holds that you should never take any action that violates the law, for the law represents the minimal moral standard
- principle of individual rights** an ethical principle that holds that you should never take any action that infringes on others' agreed-upon rights
- principle of long-term self-interest** an ethical principle that holds that you should never take any action that is not in your or your organization's long-term self-interest
- principle of personal virtue** an ethical principle that holds that you should never do anything that is not honest, open, and truthful and that you would not be glad to see reported in the newspapers or on TV
- principle of religious injunctions** an ethical principle that holds that you should never take any action that is not kind and that does not build a sense of community
- principle of utilitarian benefits** an ethical principle that holds that you should never take any action that does not result in greater good for society
- private spaces** spaces used by and open to just one employee
- proactive strategy** a social responsiveness strategy in which a company anticipates responsibility for a problem before it occurs and does more than society expects to address the problem
- probability of effect** the chance that something will happen and then harm others
- problem** a gap between a desired state and an existing state
- procedural justice** the perceived fairness of the process used to make reward allocation decisions
- procedure** a standing plan that indicates the specific steps that should be taken in response to a particular event
- processing cost** the cost of turning raw data into usable information
- processing information** transforming raw data into meaningful information
- product boycott** an advocacy group tactic that involves protesting a company's actions by convincing consumers not to purchase its product or service
- product departmentalization** organizing work and workers into separate units responsible for producing particular products or services
- product prototype** a full-scale, working model that is being tested for design, function, and reliability
- production blocking** a disadvantage of face-to-face brainstorming in which a group member must wait to share an idea because another member is presenting an idea
- production deviance** unethical behavior that hurts the quality and quantity of work produced
- productivity** a measure of performance that indicates how many inputs it takes to produce or create an output
- profit sharing** a compensation system in which a company pays a percentage of its profits to employees in addition to their regular compensation
- project team** a team created to complete specific, one-time projects or tasks within a limited time
- project manufacturing** manufacturing operations designed to produce large, expensive, specialized products
- property deviance** unethical behavior aimed at the organization's property or products
- prospectors** an adaptive strategy that seeks fast growth by searching for new market opportunities, encouraging risk taking, and being the first to bring innovative new products to market
- protecting information** the process of ensuring that data are reliably and consistently retrievable in a usable format for authorized users, but no one else
- protectionism** a government's use of trade barriers to shield domestic companies and their workers from foreign competition
- proximal goals** short-term goals or subgoals
- proximity of effect** the social, psychological, cultural, or physical distance between a decision maker and those affected by his or her decisions
- public communications** an advocacy group tactic that relies on voluntary participation by the news media and the advertising industry to get the advocacy group's message out
- punctuated equilibrium theory** a theory that holds that companies go through long, simple periods of stability (equilibrium), followed by short periods of dynamic, fundamental change (revolution), and ending with a return to stability (new equilibrium)
- punishment** reinforcement that weakens behavior by following behaviors with undesirable consequences
- purchasing power** a comparison of the relative cost of a standard set of goods and services in different countries

Q

- quality** a product or service free of deficiencies, or the characteristics of a product or service that satisfy customer needs
- question mark** a company with a small share of a fast-growing market
- quid pro quo sexual harassment** a form of sexual harassment in which employment outcomes, such as hiring, promotion, or simply keeping one's job, depend on whether an individual submits to sexual harassment
- quota** a limit on the number or volume of imported products

R

- racial and ethnic discrimination** treating people differently because of their race or ethnicity
- radio frequency identification (RFID) tags** tags containing minuscule microchips that transmit information via radio waves and can be used to track the number and location of the objects into which the tags have been inserted
- rare resources** resources that are not controlled or possessed by many competing firms
- rate buster** a group member whose work pace is significantly faster than the normal pace in his or her group
- rater training** training performance appraisal raters in how to avoid rating errors and increase rating accuracy
- rational decision making** a systematic process of defining problems, evaluating alternatives, and choosing optimal solutions
- raw data** facts and figures
- raw material inventories** the basic inputs in a manufacturing process
- reactive strategy** a social responsiveness strategy in which a company does less than society expects
- reactors** an adaptive strategy of not following a consistent strategy, but instead reacting to changes in the external environment after they occur
- reciprocal interdependence** work completed by different jobs or groups working together in a back-and-forth manner
- recovery** the strategic actions taken after retrenchment to return to a growth strategy
- recruiting** the process of developing a pool of qualified job applicants
- reengineering** fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical measures of performance, such as cost, quality, service, and speed
- referents** in equity theory, others with whom people compare themselves to determine if they have been treated fairly
- refreezing** supporting and reinforcing new changes so that they "stick"
- regional trading zones** areas in which tariff and nontariff barriers on trade between countries are reduced or eliminated
- regulation costs** the costs associated with implementing or maintaining control
- reinforcement** the process of changing behavior by changing the consequences that follow behavior
- reinforcement contingencies** cause-and-effect relationships between the performance of specific behaviors and specific consequences
- reinforcement theory** a theory that states that behavior is a function of its consequences, that behaviors followed by

positive consequences will occur more frequently, and that behaviors followed by negative consequences, or not followed by positive consequences, will occur less frequently

- related diversification** creating or acquiring companies that share similar products, manufacturing, marketing, technology, or cultures
- relationship behavior** mutually beneficial, long-term exchanges between buyers and suppliers
- relative comparisons** a process in which each decision criterion is compared directly to every other criterion
- representative bias** the unrecognized tendency of decision makers to judge the likelihood of an event's occurrence based on its similarity to previous events
- resistance forces** forces that support the existing state of conditions in organizations
- resistance to change** opposition to change resulting from self-interest, misunderstanding and distrust, or a general intolerance for change
- resource allocator role** the decisional role managers play when they decide who gets what resources
- resource scarcity** the degree to which an organization's external environment has an abundance or scarcity of critical organizational resources
- resource similarity** the extent to which a competitor has similar amounts and kinds of resources
- resources** the assets, capabilities, processes, information, and knowledge that an organization uses to improve its effectiveness and efficiency, create and sustain competitive advantage, and fulfill a need or solve a problem
- response** a competitive countermove, prompted by a rival's attack, to defend or improve a company's market share or profit
- results-driven change** change created quickly by focusing on the measurement and improvement of results
- retrenchment strategy** a strategy that focuses on turning around very poor company performance by shrinking the size or scope of the business
- retrieval cost** the cost of accessing already-stored and processed information
- risk propensity** a person's tendency to take or avoid risks
- rules and regulations** standing plans that describe how a particular action should be performed, or what must happen or not happen in response to a particular event

S

- S.M.A.R.T. goals** goals that are specific, measurable, attainable, realistic, and timely
- satisficing** choosing a "good enough" alternative
- schedule of reinforcement** rules that specify which behaviors will be reinforced, which consequences will follow those behaviors, and the schedule by which those consequences will be delivered
- schedule time** a cultural norm for the time by which scheduled projects or jobs should actually be completed
- scientific management** thoroughly studying and testing different work methods to identify the best, most efficient way to complete a job
- S-curve pattern of innovation** a pattern of technological innovation characterized by slow initial progress, then

- rapid progress, and then slow progress again as a technology matures and reaches its limits
- secondary firms** the firms in a strategic group that follow strategies related to but somewhat different from those of the core firms
- secondary stakeholder** any group that can influence or be influenced by a company and can affect public perceptions about its socially responsible behavior
- secure sockets layer (SSL) encryption** Internet browser-based encryption that provides secure off-site Web access to some data and programs
- selection** the process of gathering information about job applicants to decide who should be offered a job
- selective perception** the tendency to notice and accept objects and information consistent with our values, beliefs, and expectations, while ignoring or screening out or not accepting inconsistent information
- self-control (self-management)** a control system in which managers and workers control their own behavior by setting their own goals, monitoring their own progress, and rewarding themselves for goal achievement
- self-designing team** a team that has the characteristics of self-managing teams but also controls team design, work tasks, and team membership
- self-managing team** a team that manages and controls all of the major tasks of producing a product or service
- self-serving bias** the tendency to overestimate our value by attributing successes to ourselves (internal causes) and attributing failures to others or the environment (external causes)
- semi-autonomous work group** a group that has the authority to make decisions and solve problems related to the major tasks of producing a product or service
- sequence patterns** when two or more database elements occur together in a significant pattern, but one of the elements precedes the other
- sequential interdependence** work completed in succession, with one group's or job's outputs becoming the inputs for the next group or job
- service recovery** restoring customer satisfaction to strongly dissatisfied customers
- setup cost** the costs of downtime and lost efficiency that occur when a machine is changed or adjusted to produce a different kind of inventory
- sexual harassment** a form of discrimination in which unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature occurs while performing one's job
- shadow-strategy task force** a committee within a company that analyzes the company's own weaknesses to determine how competitors could exploit them for competitive advantage
- shared spaces** spaces used by and open to all employees
- shareholder model** a view of social responsibility that holds that an organization's overriding goal should be profit maximization for the benefit of shareholders
- simple environment** an environment with few environmental factors
- simple matrix** a form of matrix departmentalization in which managers in different parts of the matrix negotiate conflicts and resources
- single-use plans** plans that cover unique, one-time-only events
- situational (SWOT) analysis** an assessment of the strengths and weaknesses in an organization's internal environment and the opportunities and threats in its external environment
- situational favorableness** the degree to which a particular situation either permits or denies a leader the chance to influence the behavior of group members
- situational theory** a leadership theory that states that leaders need to adjust their leadership styles to match their followers' readiness
- skill-based pay** compensation system that pays employees for learning additional skills or knowledge
- skills-based diversity training** training that teaches employees the practical skills they need for managing a diverse work force, such as flexibility and adaptability, negotiation, problem solving, and conflict resolution
- skill variety** the number of different activities performed in a job
- slack resources** a cushion of extra resources that can be used with options-based planning to adapt to unanticipated change, problems, or opportunities
- social consensus** agreement on whether behavior is bad or good
- social integration** the degree to which group members are psychologically attracted to working with each other to accomplish a common objective
- social loafing** behavior in which team members withhold their efforts and fail to perform their share of the work
- social responsibility** a business's obligation to pursue policies, make decisions, and take actions that benefit society
- social responsiveness** the strategy chosen by a company to respond to stakeholders' economic, legal, ethical, or discretionary expectations concerning social responsibility
- soldiering** when workers deliberately slow their pace or restrict their work outputs
- specific ability tests (aptitude tests)** tests that measure the extent to which an applicant possesses the particular kind of ability needed to do a job well
- specific environment** the customers, competitors, suppliers, industry regulations, and advocacy groups that are unique to an industry and directly affect how a company does business
- spokesperson role** the informational role managers play when they share information with people outside their departments or companies
- stability strategy** a strategy that focuses on improving the way in which the company sells the same products or services to the same customers
- stable environment** an environment in which the rate of change is slow
- staff authority** the right to advise, but not command, others who are not subordinates in the chain of command
- staff function** an activity that does not contribute directly to creating or selling the company's products, but instead supports line activities
- stakeholder model** a theory of corporate responsibility that holds that management's most important responsibility, long-term survival, is achieved by satisfying the interests of multiple corporate stakeholders
- stakeholders** persons or groups with a "stake" or legitimate interest in a company's actions

- standardization** solving problems by consistently applying the same rules, procedures, and processes
- standards** a basis of comparison for measuring the extent to which various kinds of organizational performance are satisfactory or unsatisfactory
- standing plans** plans used repeatedly to handle frequently recurring events
- star** a company with a large share of a fast-growing market
- stepladder technique** a decision-making method in which group members are added to a group discussion one at a time (i.e., like a stepladder). The existing group members listen to each new member's thoughts, ideas, and recommendations; then the group shares the ideas and suggestions that it had already considered, discusses the new and old ideas, and makes a decision.
- stock options** a compensation system that gives employees the right to purchase shares of stock at a set price, even if the value of the stock increases above that price
- stockout** the situation when a company runs out of finished product
- stockout costs** the costs incurred when a company runs out of a product, including transaction costs to replace inventory and the loss of customers' goodwill
- storage cost** the cost of physically or electronically archiving information for later use and retrieval
- storming** the second stage of development, characterized by conflict and disagreement, in which team members disagree over what the team should do and how it should do it
- strategic alliance** an agreement in which companies combine key resources, costs, risk, technology, and people
- strategic dissonance** a discrepancy between a company's intended strategy and the strategic actions managers take when implementing that strategy
- strategic group** a group of companies within an industry that top managers choose to compare, evaluate, and benchmark strategic threats and opportunities
- strategic leadership** the ability to anticipate, envision, maintain flexibility, think strategically, and work with others to initiate changes that will create a positive future for an organization
- strategic plans** overall company plans that clarify how the company will serve customers and position itself against competitors over the next two to five years
- strategic reference points** the strategic targets managers use to measure whether a firm has developed the core competencies it needs to achieve a sustainable competitive advantage
- stretch goals** extremely ambitious goals that employees initially don't know how to accomplish
- structural accommodation** the ability to change organizational structures, policies, and practices in order to meet stretch goals
- structured interviews** interviews in which all applicants are asked the same set of standardized questions, usually including situational, behavioral, background, and job-knowledge questions
- subjective performance measures** measures of job performance that require someone to judge or assess a worker's performance
- suboptimization** performance improvement in one part of an organization but only at the expense of decreased performance in another part
- subsidies** government loans, grants, and tax deferments given to domestic companies to protect them from foreign competition
- subsystems** smaller systems that operate within the context of a larger system
- supervised data mining** the process when the user tells the data mining software to look and test for specific patterns and relationships in a data set
- supplier dependence** the degree to which a company relies on a supplier because of the importance of the supplier's product to the company and the difficulty of finding other sources of that product
- suppliers** companies that provide material, human, financial, and informational resources to other companies
- supportive leadership** a leadership style in which the leader is friendly to and approachable, shows concern for employees and their welfare, treats them as equals, and creates a friendly climate
- surface-level diversity** differences such as age, gender, race/ethnicity, and physical disabilities that are observable, typically unchangeable, and easy to measure
- survey feedback** information that is collected by surveys from organizational members and then compiled, disseminated, and used to develop action plans for improvement
- sustainable competitive advantage** a competitive advantage that other companies have tried unsuccessfully to duplicate and have, for the moment, stopped trying to duplicate
- synergy** when two or more subsystems working together can produce more than they can working apart
- system** a set of interrelated elements or parts that function as a whole
- T**
- tactical plans** plans created and implemented by middle managers that specify how the company will use resources, budgets, and people over the next six months to two years to accomplish specific goals within its mission
- tariff** a direct tax on imported goods
- task identity** the degree to which a job, from beginning to end, requires the completion of a whole and identifiable piece of work
- task interdependence** the extent to which collective action is required to complete an entire piece of work
- task significance** the degree to which a job is perceived to have a substantial impact on others inside or outside the organization
- task structure** the degree to which the requirements of a subordinate's tasks are clearly specified
- team diversity** the variances or differences in ability, experience, personality, or any other factor on a team
- team leaders** managers responsible for facilitating team activities toward goal accomplishment
- team level** the average level of ability, experience, personality, or any other factor on a team
- teamwork** collaboration between managers and nonmanagers, across business functions, and between companies, customers, and suppliers
- technical skills** the ability to apply the specialized procedures, techniques, and knowledge required to get the job done

technological discontinuity a scientific advance or unique combination of existing technologies that creates a significant breakthrough in performance or function

technological lockout when a new dominant design (i.e., a significantly better technology) prevents a company from competitively selling its products or makes it difficult to do so

technological substitution the purchase of new technologies to replace older ones

technology the knowledge, tools, and techniques used to transform input into output

technology cycle a cycle that begins with the “birth” of a new technology and ends when that technology reaches its limits and is replaced by a newer, substantially better technology

televised/videotaped speeches and meetings speeches and meetings originally made to a smaller audience that are either simultaneously broadcast to other locations in the company or videotaped for subsequent distribution and viewing

temporal immediacy the time between an act and the consequences the act produces

testing the systematic comparison of different product designs or design iterations

threat of new entrants a measure of the degree to which barriers to entry make it easy or difficult for new companies to get started in an industry

threat of substitute products or services a measure of the ease with which customers can find substitutes for an industry's products or services

360-degree feedback a performance appraisal process in which feedback is obtained from the boss, subordinates, peers and coworkers, and the employees themselves

time study timing how long it takes good workers to complete each part of their jobs

top managers executives responsible for the overall direction of the organization

total quality management (TQM) an integrated, principle-based, organization-wide strategy for improving product and service quality

trade barriers government-imposed regulations that increase the cost and restrict the number of imported goods

traditional work group a group composed of two or more people who work together to achieve a shared goal

training developing the skills, experience, and knowledge employees need to perform their jobs or improve their performance

trait rating scales rating scales that indicate the extent to which workers possess particular traits or characteristics

trait theory a leadership theory that holds that effective leaders possess a similar set of traits or characteristics

traits relatively stable characteristics, such as abilities, psychological motives, or consistent patterns of behavior

transactional leadership leadership based on an exchange process, in which followers are rewarded for good performance and punished for poor performance

transformational leadership leadership that generates awareness and acceptance of a group's purpose and mission and gets employees to see beyond their own needs and self-interests for the good of the group

transient firms the firms in a strategic group whose strategies are changing from one strategic position to another

transition management team (TMT) a team of 8 to 12 people whose full-time job is to manage and coordinate a company's change process

two-factor authentication authentication based on what users know, such as a password and what they have in their possession, such as a secure ID card or key

Type A personality a person who tries to complete as many tasks as possible in the shortest possible time and is hard driving, competitive, impatient, perfectionistic, angry, and unable to relax

Type A/B personality dimension the extent to which people tend toward impatience, hurriedness, competitiveness, and hostility

Type B personality a person who is relaxed, easygoing, and able to engage in leisure activities without worrying about work

U

uncertainty extent to which managers can understand or predict which environmental changes and trends will affect their businesses

underreward when the referent you compare yourself to is getting more outcomes relative to inputs than you are

unethical charismatics charismatic leaders who control and manipulate followers, do what is best for themselves instead of their organizations, want to hear only positive feedback, share only information that is beneficial to themselves, and have moral standards that put their interests before everyone else's

unfreezing getting the people affected by change to believe that change is needed

unity of command a management principle that workers should report to just one boss

unrelated diversification creating or acquiring companies in completely unrelated businesses

unstructured interviews interviews in which interviewers are free to ask the applicants anything they want

unsupervised data mining the process when the user simply tells the data mining software to uncover whatever patterns and relationships it can find in a data set

upward communication communication that flows from lower to higher levels in an organization

V

valence the attractiveness or desirability of a reward or outcome

validation the process of determining how well a selection test or procedure predicts future job performance. The better or more accurate the prediction of future job performance, the more valid a test is said to be.

valuable resource a resource that allows companies to improve efficiency and effectiveness

value customer perception that the product quality is excellent for the price offered

variable interval reinforcement schedule an intermittent schedule in which the time between a behavior and the following consequences varies around a specified average

variable ratio reinforcement schedule an intermittent schedule in which consequences are delivered following a different number of behaviors, sometimes more and sometimes less, that vary around a specified average number of behaviors

variation a deviation in the form, condition, or appearance of a product from the quality standard for that product

virtual organization an organization that is part of a network in which many companies share skills, costs, capabilities, markets, and customers to collectively solve customer problems or provide specific products or services

virtual private network (VPN) software that securely encrypts data sent by employees outside the company network, decrypts the data when they arrive within the company computer network, and does the same when data are sent back to employees outside the network

virtual team a team composed of geographically and/or organizationally dispersed coworkers who use telecommunication and information technologies to accomplish an organizational task

virus a program or piece of code that, against your wishes, attaches itself to other programs on your computer and can trigger anything from a harmless flashing message to the reformatting of your hard drive to a systemwide network shutdown

visible artifacts visible signs of an organization's culture, such as the office design and layout, company dress code, and company benefits and perks, like stock options, personal parking spaces, or the private company dining room

vision an inspirational statement of an organization's enduring purpose

visionary leadership leadership that creates a positive image of the future that motivates organizational members and provides direction for future planning and goal setting

voluntary export restraints voluntarily imposed limits on the number or volume of products exported to a particular country

W

Web services using standardized protocols to describe data from one company in such a way that those data can auto-

matically be read, understood, transcribed, and processed by different computer systems in another company

whistleblowing reporting others' ethics violations to management or legal authorities

wholly owned affiliates foreign offices, facilities, and manufacturing plants that are 100 percent owned by the parent company

work force forecasting the process of predicting the number and kind of workers with specific skills and abilities that an organization will need in the future

work sample tests tests that require applicants to perform tasks that are actually done on the job

work team a small number of people with complementary skills who hold themselves mutually accountable for pursuing a common purpose, achieving performance goals, and improving interdependent work processes

worker readiness the ability and willingness to take responsibility for directing one's behavior at work

workplace deviance unethical behavior that violates organizational norms about right and wrong

work-in-process inventories partially finished goods consisting of assembled component parts

World Trade Organization (WTO) as the successor to GATT, the only international organization dealing with the global rules of trade between nations. Its main function is to ensure that trade flows as smoothly, predictably, and freely as possible.

wrongful discharge a legal doctrine that requires employers to have a job-related reason to terminate employees