

Chapter 2 Glossary

analyzer

a business strategy based on maintaining a stable business while innovating on the periphery.

competing values model

a model that tries to balance a concern with various parts of the organization rather than focusing on one part.

competitive advantage

what sets the organization apart from others and provides it with a distinctive edge for meeting customer or client needs in the marketplace.

core competence

describes what the organization does especially well in comparison to its competitors.

defender

a business strategy that is concerned with stability or even retrenchment.

differentiation strategy

a business strategy that attempts to distinguish an organization's products or services from others in the industry.

focus

the first value dimension that states whether dominant values concern issues that are internal or external to the firm.

goal approach

an approach to effectiveness that is concerned with an organization's outputs and how well the organization has met its output goals.

human relations emphasis

incorporates the values of an internal focus and a flexible structure.

internal process approach

an approach that looks at internal activities and assesses effectiveness by indicators of internal health and efficiency.

internal process emphasis

reflects the values of internal focus and structural control.

low-cost leadership strategy

a strategy of increasing market share by keeping costs low compared to competitors.

mission

the organization's reason for existence; describes the organization's shared values and beliefs and its reason for being.

official goals

formally stated definition of business scope and outcomes the organization is trying to achieve.

open systems emphasis

a system that must interact with the environment in order to survive. It cannot seal itself off and must continuously adapt to the environment.

operating goals

goals stated in terms of outcomes sought through the actual operating procedures of the organization.

organizational goal

a desired state of affairs that the organization attempts to reach.

prospector

a business strategy of innovating, taking risks, seeking out new opportunities, and growing.

rational goal emphasis

represents management values of structural control and external focus.

reactor

a response to environmental threats and opportunities in an ad hoc rather than strategic fashion.

resource-based approach

an organizational perspective that assesses effectiveness by observing how successfully the organization obtains, integrates, and manages valued resources.

social construct

created and defined by an individual or group rather than existing independently in the external world.

strategic constituents approach

an approach that measures effectiveness by focusing on the satisfaction of key stakeholders, those who are critical to the organization's ability to survive and thrive.

strategic intent

a situation in which all the organization's energies and resources are directed toward a focused, unifying, and compelling overall goal.

strategy

a plan for interacting with the competitive environment to achieve organizational goals.

structure

the formal reporting relationships, groupings, and systems of an organization.