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.

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**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.

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