Appendix 3
Glossary

Abilene Paradox A story of mismanaged agreement. A course of action was suggested by one member of a group and no one raised any objection to it. The group took this course. Subsequently, it transpired that several people had not agreed with the original proposal but went along with it for various reasons. (See Harvey, J.B., *The Abilene Paradox and other Meditations on Management*, Jossey-Bass, 1996.)

Action management A systematic method of managing actions planned to achieve business goals. Various action-management software programs are available to help track, monitor, control and respond to actions.

Action planning Decide business goals and then determine the actions to take to achieve these. From this build an action plan, a sequenced series of steps that include task assignments, milestones, timelines, resource allocations and performance measurement.

Analysis tools Analysis is the systematic approach to problem-solving. Complex organisational problems are made simpler when they are separated into smaller, more understandable elements. The selection of the right analysis tool depends on the nature of the problem. An example of an analysis tool is a SWOT (strengths, weaknesses, opportunities, threats) analysis.

Appreciative inquiry An analysis and assessment approach that seeks to find what works in an organisation and to build designs from that. The results of this positively

oriented process are statements that describe the future state of the organisation based on the high points and good aspects of where it has been.

Blue-sky thinking Similar to brainstorming in that it asks people to create a range of options and possibilities in an ideal world where there are no constraints.

Business process An end-to-end series of activities starting with inputs to a product or service and ending with the output. There are three types of business process: management, operational, support.

Capability Organisational capability is the collective skills, abilities and expertise of an organisation vested in its employees. Capability is maintained and developed through various human resource practices including job design, training, rewards and recognition, and career development. Organisational capability is an intangible asset that, managed well, can be a valuable competitive differentiator.

Change readiness Before launching any type of project involving a change to working conditions, it is helpful to assess factors such as the perception of the need for change, how much (or little) support the change is likely to get from stakeholders, what the driving and blocking forces might be to achieving project success, and leadership ability to manage the change.

Competence An individual's ability to carry out tasks and activities to the standards required in employment using an appropriate mix of knowledge, skills and attitudes. Many organisations have competence frameworks that define levels of ability against which employees' performance is measured.

Complexity theory In the case of organisations and management, complexity theory is concerned with the conditions that affect predictability and self-organising behaviour. Oversimplifying, the theory suggests that a complex system is inherently unstable and therefore unpredictable (mathematics demonstrates that the unpredictability is not random), but that direction emerges and self-organisation happens around this. (See Stacey, R.D., *Complexity and Management: Fad or Organizational Challenge*, Routledge, 2000.)

Culture The values, traditions, customs, stories, habits and attitudes that a group of people share that define for them their general behaviour and way of working in an organisation. A common shorthand for the definition is "the way we do things round here".

Dashboard A method of presenting easy-to-read and easy-to-assimilate information on the metrics being used to track and measure project status. It is called a dashboard because the visual display of the information resembles that of a car dashboard.

Derailers The character traits that contribute to leadership failure by undermining their effective characteristics. Dysfunctional attributes that take leaders off track include arrogance, volatility, micromanagement and an abrasive interpersonal style. (See www.hoganassessments.com for tools to assess derailers.)

Emotional intelligence In 1995 Daniel Goleman wrote a book, *Emotional Intelligence: Why It Can Matter More Than IQ* (Bantam, reprinted 1997), describing five dimensions of emotional intelligence: self-monitoring, self-regulation, self-motivation, empathy and social skills. He suggested that people who are clearly more capable in demonstrating these attributes

are more successful than those who have lower levels of emotional intelligence (EI). The book sparked a commercial and research industry in the concepts of EI. (See the Consortium for Research on Emotional Intelligence in Organizations at www. eiconsortium.org.)

Engagement approaches
The communication and other methods used to involve stakeholders in an organisational change. The aim is to develop and maintain support for the change from those who will be involved in it and affected by it.

Facilitated sessions
Events or workshops orchestrated by a facilitator. Facilitators do not need to have knowledge of the content of the workshop as their skill is using their knowledge of group processes to determine approaches and techniques that help a group achieve the objectives of the session. (See the International Association of Facilitators at www.iaf-world.org.)

Focus groups
Small groups of stakeholders who participate in facilitated discussions on questions related to organisation change. The purpose of the discussion is to collect views and opinions on the proposed or enacted changes in order to inform future planning.

FTE
Short for full-time equivalent. In reporting numbers of employees on a payroll, figures are expressed as a full-time equivalent statistic representing the number of full-time employees that could have been employed if the reported number of hours worked by part-time employees had been worked by full-time employees. This statistic is calculated by dividing the part-time hours paid by the standard number of hours for full-time employees.

Future Search
A conference-style approach involving large numbers of internal and external stakeholders

jointly working on a design with facilitator support. Briefly, some initial questions are posed and the "delegates" use a combination of structured activities to agree answers/solutions. This method has the benefit of generating feelings of ownership among stakeholders thus getting speedily to the implementation stage.

Gallup Q12 Gallup Consulting has identified 12 questions that measure employee engagement and link powerfully to relevant business outcomes, including retention, productivity, profitability, customer engagement and safety. These questions – the Q12 – measure dimensions that leaders, managers and employees can influence.

1 I know what is expected of me at work.
2 I have the materials and equipment I need to do my work right.
3 At work, I have the opportunity to do what I do best every day.
4 In the last seven days, I have received recognition or praise for doing good work.
5 My supervisor, or someone at work, seems to care about me as a person.
6 There is someone at work who encourages my development.
7 At work, my opinions seem to count.
8 The mission/purpose of my company makes me feel my job is important.
9 My associates (fellow employees) are committed to doing quality work.
10 I have a best friend at work.
11 In the last six months, someone at work has talked to me about my progress.
12 This last year, I have had opportunities at work to learn and grow.

(www.gallupconsulting.com/content/?ci=52)

Geeks and techies People with a passionate interest in the detailed technical attributes of something. They focus on

this to the exclusion of many other aspects of life. There is now a magazine, *Geek Monthly*, targeted at self-identified geeks (www.geekmonthly.com).

Global Reporting Initiative The vision of the Global Reporting Initiative (GRI) is that reporting on economic, environmental and social performance by all organisations becomes as routine and comparable as financial reporting. The GRI accomplishes this vision by developing, continually improving and building capacity around the use of its Sustainability Reporting Framework. (See www.globalreporting.org/home)

Governance The way an organisation design programme is directed, controlled, organised, managed and administered through various policies and procedures.

Hierarchy theory A theory concerned with levels of organisation. It uses a small number of principles to monitor complex structures and behaviours of multiple level systems. The theory's foundation paper, "The Architecture of Complexity: Hierarchic Systems", was written by Herbert Simon (*Proceedings of the American Philosophical Society*, Vol. 106, December 1962).

Holonic systems From the Greek *holos* meaning whole, a holonic system is composed of autonomous entities (called holons) that can deliberately reduce their autonomy, when the need arises, to collectively achieve a goal. It is a complex, co-operative system, able to evolve and self-organise over time to optimise survivability, adaptability, flexibility, efficiency and effectiveness. (See Koestler, A., *The Ghost in the Machine*, Penguin, reprinted 1990.)

Interventions Planned activities designed to change the communication track of a process, for example

a workshop aimed at determining ways to communicate differently with stakeholders.

Interview
A verbal exchange between two or more people either face to face or via a phone line with the interviewer taking the lead in asking questions. The primary purpose of interviews in organisation design work is to obtain information to feed into project planning.

Jumpstart event
An approach that quickly moves participants through the early phases of organisation design work. Jumpstart events provide a spark that gets people going in the same way that jump leads get a car with a flat battery going.

Mapping techniques
In organisation design work, mapping means assessing the attributes and relationships between organisational elements to get a sense of the organisational landscape. The aim is to find out what the focus of the various elements is, how they are ordered in relation to one another, what the areas of similarity and difference are, and how they are oriented with each other.

Measurement
A formalised activity (assessing, monitoring, gauging, ascertaining, surveying, and so on) aimed at producing structured data that are then interpreted and applied in the process of making judgments, decisions and choices.

Noise
In organisation design work, noise is the information generated by all the day-to-day organisational communication channels, formal and informal, including e-mail, gossip, websites and news briefs. Organisational designers have two challenges related to noise: sifting out what is relevant, such as useful feedback on progress, from background noise; and getting their messages heard clearly over other messages.

Open source   Forums, usually web-based, for sharing problems and challenges and working together on solutions. Commonly associated with development of software, for example Linux, the term and concepts are now being applied to a range of other arenas where collaborative problem-solving or product development benefits from widespread outsider (often those with expertise tangential to the problem's field) thinking. See www.innocentive. com for examples of open source challenges in science.

Organisation   A relatively durable, reliable and accountable social structure "created by individuals to support the collaborative pursuit of specified goals" (Scott, R.W., *Organizations: Rational, Natural, and Open Systems*, Prentice Hall, 2003). Any organisation comprises interacting components, each having an impact on one another.

Organisation design   The sequence of work that results in an alignment of vision/mission, values/operating principles, strategies, objectives, systems, structure, people, processes, culture and performance measures. The outcome of intentional activities that align all the components of an organisation in a way that keeps it adaptable in its operating context.

Predictive modelling   A process of creating a model and with this analysing past performance data to predict probable future performance.

Principal/agent problems   The difficulties that arise when one person (the principal) delegates work to someone else (the agent) without having the means to ensure that the agent will act in the principal's interest and not in self-interest.

Processes   The end-to-end work flow from input to output of a product or service. For example, a recruitment

process typically includes the following steps: develop job specification, determine selection criteria, advertise vacancy, provide information to candidates, shortlist applicants, interview applicants, make offer, negotiate contract, sign contract.

Programme management

The co-ordinated management of a portfolio of projects to achieve a set of business objectives which will be realised more effectively with a consolidated approach. Managing a programme commonly involves using a set of tools and methodologies to take the programme in a systematic way from inception to closure (see Chapter 4).

Project management

The application of specific tools and techniques to initiate, plan, execute, control and close a time-related piece of work that has stated objectives.

Quantum theory

Formulated in a well-defined mathematical language, quantum theory makes predictions for the probabilities of various possible outcomes, but not for which outcome will occur in any given case. Interpretation of the calculations, in words and images, often leads to statements that seem to defy common sense. Because quantum events occur on an extremely small scale, many aspects of quantum behaviour seem strange and even paradoxical. (Adapted from www2.slac.stanford.edu/vvc/theory/quantum.html.)

Reorganise

Shuffle existing players into a new formation without changing fundamentals. "We trained hard, but it seemed that every time we were to form up in teams, we would be reorganized. We tend to meet any new situation by reorganizing – and a wonderful method it can be for creating the illusion of progress … while producing confusion, inefficiency, and demoralization." (Attributed

to Gaius Petronius Arbiter, Roman governor of Bithynia, AD60.)

Restructure   A step up from reorganizing involving deeper changes, for example in response to a merger where, to accommodate the two parties, aspects of job design, work process, and so on, have changed. Often restructures, like reorganisations, fail to take account of the multiple interdependencies that need to form part of the restructure. This may result in employee cynicism of the type expressed well by Scott Adams, the originator of Dilbert cartoons: "Let's form proactive synergy restructuring teams."

Risk analysis   Risks are the various factors that could influence the achievement of business objectives – the upside opportunities (often forgotten) and the downside hazards. In organisation design work, it is important to identify, assess and determine appropriate ways of responding to these, and use a risk-control framework to manage the risks during the project's life cycle.

Sacred cow   In organisational terms, an assumption, an idea or a practice that is fiercely protected, often with no apparent reason, and thus becomes a barrier to change. (See Kriegel, R. and Brandt, D., *Sacred Cows Make the Best Burgers: Developing Change Ready People and Organizations*, Warner Books, reprinted 1997.)

Self-organising networks   Associated with various scientific fields including physics, artificial intelligence and chemistry, but now used more loosely to describe the natural (ie, unmanaged) emergence of connected people into a recognised and coherent community, usually around a project, or topic of interest. (See Goldstein, J., "Emergence as a Construct: History and Issues", *Emergence: Complexity and Organization*, Vol. 1, 1999, pp. 49–72.)

Silo   Organisational silos are divisions and departments that work independently of each other, resisting co-operation and collaboration with other functions in the organisation. Lack of information sharing between them leads to duplication, overlap and slowdown in getting things done. More dangerously it can also lead to mistakes and failure to act when the occasion demands.

Silo mentality   A compartmentalised view of business operations, often encouraged by hierarchical structures and reinforced by reward and recognition systems. People with a silo mentality are reluctant to share information, make connections between their work and the work of other departments, or see where collaboration could bring mutual benefit.

Six Sigma   A method of improving the quality, efficiency and effectiveness of business processes through rigorous and methodical statistical and data analysis that aims to achieve ± six sigma (standard deviations) or 3.4 defects per million items.

Stakeholder   A person with a vested interest in something. In organisational design work, stakeholders are people who are affected, directly or indirectly, by the scope of a new design and/or who can influence the success or failure of the design.

Structures   The arrangements of people in an organisation that appear, in some form of hierarchy, on an organisation chart (see Chapter 3).

Systems   The infrastructures to carry the processes. So, for example, a human resources IT system will track the flow of a recruitment process. In most cases, systems are technology-based, but paper-based systems are still in evidence in some organisations.

Ten Flatteners   In his book *The World is Flat* (Farrar, Straus and Giroux, 2005), Thomas Friedman argues that there are a number of forces acting to take globalisation into what he calls "3.0" – globalisation 1.0 being the period from 1492 until around 1800 and globalisation 2.0 lasting roughly from 1800 to 2000. Globalisation 3.0 is being triggered by the "Ten Flatteners" which he lists as follows:

1 Fall of the Berlin Wall. The events of November 9th 1989 tilted the worldwide balance of power toward democracies and free markets.
2 Netscape IPO. The August 9th 1995 offering sparked massive investment in fibre-optic cables, creating a worldwide infrastructure for later technological innovation and development.
3 Work flow software. The rise of these applications enables more people in more places to design, display, manage and collaborate on business data resulting in work flowing within and between companies and continents faster than ever.
4 Uploading or open-sourcing. Self-organising communities of geeks working on programs like Apache launched a collaborative revolution that resulted in community developed software.
5 Outsourcing. Initially, migrating business functions to India saved money and fuelled a third-world economy. Outsourcing is now occurring across continents, including from other continents to the United States and regionally.
6 Offshoring. Contract manufacturing is now occurring in a number of nations. It has served to elevate China to economic prominence.
7 Supply-chaining. Robust networks of suppliers, retailers and customers increase business efficiency. Wal-Mart is the undisputed champion of supply chains.
8 Insourcing. Logistics giants took control of customer supply chains, helping mom-and-pop

shops go global. UPS and FedEx have made millions transforming themselves in this way.

9 Informing. Power searching allows everyone to use the internet as a "personal supply chain of knowledge". This was the emergence of Google.

10 Steroids. New technologies pump up all forms of collaboration, making it digital, mobile, virtual and personal.

Source: www.workforceinnovations.org/speaker_docs/world%20is%20flat%20synopsis%20Workforce%20Innovations%20v.2.doc

Transactional design	A design developed to achieve "better sameness" that might be needed to carry out the mission and strategy but is not in a response to changes in them.
Transformational design	A design developed in response to environmental forces either external or internal to the organisation that affect the mission, strategy and culture (such as a major, high-level and potentially life-threatening force).
Triple bottom line	As well as creating economic (financial) value, organisations are increasingly seeking to create social and environmental value (or a least to do no harm). These three elements – economic, social and environmental – comprise the triple bottom line for reporting organisational performance and results.
Virtual organisation	An organisation that encompasses ("organises") a workgroup or community that may be within an organisation, may span multiple organisations, or may be outside the boundaries of any formal organisation. Essential features of a virtual structure are identification with shared concerns or issues and temporal and geographic separation of members of the community. There are other features that may vary across various virtual organisations, such as absence of formal

controls, rewards and incentives, and presence of relationships based on goodwill and reciprocity. (Definition adapted from www.brint.com/ wwwboard/messages/9894.html.)

Vision/visioning   Creating a compelling statement of what the organisation aspires to be or do is one of the first steps in designing a new state. Vision is important because it is the most fundamental impetus in inspiring people to do their best. A well-constructed vision also acts as a guide to decision-making, aligning the organisation's parts so that they work towards a desirable goal.

Walk the talk   This phrase has a similar intention to the injunction "practise what you preach". Leaders of organisation design programmes are in the spotlight, and if they are serious about getting support for their programmes they must be seen to be consistently acting as role models and doing what they are encouraging other people to do.