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Glossary

Core Group: The group of people in any organization who set the direction of the enterprise, because decisions (from top to bottom of the hierarchy) are made on behalf of their perceived needs, desires, and priorities. The Core Group is “who really matters” in organizations, but not in communities. (*Chapter 1: The Customer Comes Eighth.*)

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Amplification: The recurring phenomenon in which casual statements by Core Group members in an organization become louder, stronger, and more influential than anybody, including the speaker, ever intended. (*Chapter 8: Guesswork.*)

Body politic: The collected citizenry on whose behalf a nation or community ought to make collective decisions. The great political challenge of our time is designing democratic societies which allow organizations to be powerful but not to dominate at the expense of the body politic. (*Chapter 26: The Body Politic.*)

Bureaucracy: A Core Group insulated from objective measures of its own performance. (*Chapter 10: Welchism.*)

Community: The kind of human enterprise *unlike* organizations, in which decisions are (or should be) made on behalf of all of its members. (*Chapter 26: The Body Politic.*)

Core Group enablers: People in organizations who adopt attitudes and practices that they know are wrong, but that keep dysfunctional Core Groups in place. (*Chapter 15: Core Group Enablers.*)

Core Group envy: Continual covetousness of Core Group status by those who don't have it; leads to passive-aggressive behavior (by people inside organizations) or presumptuousness (by outsiders). (*Chapter 6: Employees of Mutual Consent; Chapter 21: Management Consultants.*)

Core Group feud: Phenomenon in which Core Group factions are most focused on beating or defeating each other; leads to paranoid, hebephrenic, and catatonic behavior at all levels of the hierarchy. (*Chapter 18: Core Group Feuds and Maladaptive Companies.*)

Disabled bystanders: People who see dysfunctional Core Group behavior and can't, or won't, say or do anything about it. (*Chapter 23: The Shadow Core Group.*)

Doggie treats: Incentive, targets, measurements, and any other numerical signals of direction. These tend to trump all other Core Group signals as drivers or organizational behavior. (*Chapter 9: “Doggie Treats:” Incentives, Targets, and Measurements.*)

Employee of mutual consent: Anyone drawing a salary or other payment in an organization who is not a member of the Core Group. In most organizations, this includes 90% or more of the population. Employees of mutual consent are characterized by their contractual relationship. (*Chapter 6: Employees of Mutual Consent.*)

Equity: Any share of accumulated wealth, including such intangible forms of social capital as reputation and relationships; it also includes financial equity, organizational stock (conventional equity), the ability to “make rain,” credentials, capability, health, fitness, family, love awareness, sensitivity and spirit. Building up a diversified portfolio of equity is a prerequisite for dealing effectively with Core Group dynamics. (*Chapter 16: A Portfolio of Equity.*)

Expanded-Core Group organization: An organization deliberately designed so that decisions are made on behalf of all, or most, of the people working there. These tend to

be either stifling bureaucracies, or great places to work. (*Chapter 12: The Expanded-Core Group Organization.*)

Fiduciary model of corporate governance: The pervasive fiction that corporations should (or do) operate on behalf of their shareholders. (*Chapter 24: Corporate Governance.*)

Glass Ceiling: The barrier that makes it difficult (or impossible) for some people to get into the Core Group, no matter how qualified, because of a feature like ethnic background, gender, habitual appearance, lack of a particular skill, sexual orientation, political point of view, economic class, level of education, or disability. (*Chapter 13: The Glass Ceilings.*)

Guesswork: Habitual pattern of organizational behavior in which employees anticipate and estimate Core Group needs and priorities, rather than asking directly about them. (*Chapter 8: Guesswork.*)

Hidden curriculum: The unwritten body of knowledge about Core Groups and their behavior that comprises the most pervasive and well-retained lesson taught in most schools. (*Chapter 22: Schools and the Hidden Curriculum.*)

Hierarchy: The formal structures of organizational command and control, which influences, but does not fully determine, the membership of the Core Group. (*Chapter 3: A Field Guide to Some Common Core Groups.*)

Inner Core Group: Mental image or model, held by each individual, of those “on whose behalf I should make decisions.” Cultivating a mature inner Core Group is a highly effective strategy for dealing with dysfunctional Core Group dynamics – and building a life. (*Chapter 14: Your Inner Core Group.*)

Integrated learning base (a phrase coined by historian Alfred D. Chandler, Jr.): The unique body of knowledge which provides each organization with its distinctive competence. This is taken most seriously when members of the organization see the Core Group paying attention to it. (*Chapter 7: A Core Group Way of Knowledge.*)

Leadership: The ability to get others in an organization to confer legitimacy on you and thus put you in the Core Group. (*Chapter 5: Power and Legitimacy.*)

Legitimacy: The kind of power which derives from the consent of the governed. In organizations, legitimacy derives from the commitment of decision-makers. (*Chapter 5: Power and Legitimacy.*)

Noble purpose: The unfulfilled potential of an organization, or the destiny that it might fulfill on behalf of future generations or the broader world. When it is unseen by the Core Group, it will go unrealized. (*Chapter 25: The Cycle of Noble Purpose.*)

Organization: A sentient creature composed of human thought and activity, whose passion and purpose is determined by its Core Group. (*Chapter 4: A Very Special Kind of Love.*)

Parasitic Core Groups (a concept developed by Arie de Geus): Core Groups which serve their own self-interest at the expense of the natural functions of the host organization.

During the 2001-2002 Christmas season, the collapse of Enron brought Parasitic Core Groups to international attention. (*Chapter 17: Parasitic Core Groups.*)

Rankism (a word coined by Robert Fuller): The attitude, internalized by many people, that some people are intrinsically worth less than others; in organizations, this often translates into behavior that treats employees of mutual consent with less dignity than members of the Core Group. (*Chapter 13: The Glass Ceilings.*)

Shadow Core Group: A group within an organization that has assembled itself as a practice body to hold and develop alternative ways of thinking and acting that the real Core Group could adapt or adopt some day. (*Chapter 23: The Shadow Core Group.*)

Threshold of confidence: The point at which people become aware that they are reliably capable of generating some equity. (*Chapter 16: A Portfolio of Equity.*)

Threshold of sustainability: The point at which equity begins to replenish itself reliably. (*Chapter 16: A Portfolio of Equity.*)

Welchism: A management approach based on streamlining bureaucratic organizations by reshaping the Core Group into a smaller, leaner, more performance-driven entity. (*Chapter 10: Welchism.*)