

**4/5ths rule**

States that “a selection rate for any racial, ethnic or sex group which is less than four fifths or 80% of the rate for the group with the highest rate will generally be regarded as evidence of adverse impact, while a greater than four-fifths rate will generally not be regarded as evidence of adverse impact.”

**401(k) plans**

Plans that allow employees to make tax-favored pay deferrals toward retirement savings through a payroll deduction plan.

**403(b) plans**

Plans that allow employees of certain tax-exempt organizations to contribute pretax dollars toward retirement savings.

**457 plans**

Plans that allow employees of states, political subdivisions or agencies of states, and certain tax-exempt organizations to defer receipt of wages.

**529 plans**

Qualified tuition plans that provide families a federal tax-free way to save money for college.

**Absenteeism**

Absenteeism is an employee's intentional or habitual absence from work (not coming to work) because of illness or personal problems; many companies calculate the rate of absenteeism of their employees, which is the average number of days they do not come to work.

**Accident**

Undesired event that results in physical harm to a person or damage to property.

**Accountability**

The obligation of an individual or organization to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner. If you take responsibility for your own actions, you show accountability.

**Accounts payable**

Money an organization owes its vendors and suppliers.

**Accounts receivable**

Money an organization's customers owe the organization.

**Accrual**

An accounting method that recognizes a company's financial performance by recording income and expenses at the time a transaction occurs, rather than when a payment is received, or an invoice is paid.

**Acquired immune deficiency syndrome (AIDS)**

Bloodborne pathogen transmitted through intimate contact.

**Acquiring organization**

A company that buys another company, or the business or organization that is buying another business.

**Acquisition**

Situation in which one organization acquires assets or takes over the full operation of another organization.

**Action learning**

A training technique by which management trainees can work full time analyzing and solving problems in other departments.

**Action plans**

Detailed steps a unit, department, or team will take to achieve short-term objectives.

**Active listening**

That is fully concentrating on what is being said rather than just passively 'hearing' the message of the speaker. This is a communication method that a listener uses to interpret and evaluate information from a speaker.

**ad hoc**

A solution to a specific problem that is not planned or cannot be used in other situations.

**ADA Amendments Act**

Amendments to Americans with Disabilities Act covering mitigating measures and definition of individuals regarded as having a disability.

**Adaptability screening**

A process that aims to assess the assignee's (and spouse's) probable success in handling a foreign transfer.

**ADDIE model**

Five-step instructional design process that governs the development of human resource development programs.

**Adverse impact**

The overall impact of employer practices that result in significantly higher percentages of members of minorities and other protected groups being rejected for employment, placement, or promotion.

**Affirmative action (AA)**

Practice in which employers identify conspicuous imbalances in their workforce and take positive steps to correct underrepresentation of protected classes.

**Affirmative action plans (AAPs)**

Plans that focus on the hiring, training, promoting, compensating, and terminating of protected classes.

**Age Discrimination in Employment Act (ADEA)**

U.S. law that prohibits discrimination in employment against persons age 40 and over; forbids limiting or classifying employees in any way that adversely affects their status because of age.

**Age Discrimination in Employment Act of 1967**

The act prohibiting arbitrary age discrimination and specifically protecting individuals over 40 years old.

**Agency shop**

A form of union security in which employees who do not belong to the union must still pay union dues on the assumption that union efforts benefit all workers.

**Agency theory**

It refers to the costs of resolving conflicts between shareholders and company managers and aligning the interests of both parties, called 'agency costs'.

**Agent-principal relationship**

Principle under which regulations on unfair labor practices that apply to employers and unions also apply to acts of their agents.

**Albemarle Paper v. Moody**

1975 court ruling that items used to validate employment requirements must be job-related.

**Alignment**

Alignment is the link between an organization's overall goals and the goals of each of the units that contribute to the success of those overall goals.

**Allowances**

Compensation provided to meet individual needs; includes additions to salary to cover expenses for housing, transportation, meals, or the increased cost of goods and services.

**Ally doctrine**

States that when a struck employer effectively uses the employees of an ally as strike breakers and when a union extends its primary picketing to this employer, no violation of the LMRA's secondary boycott prohibitions exists.

**Alternation ranking method**

Ranking employees from best to worst on a particular trait, choosing highest, then lowest, until all are ranked.

**Alternative dispute**

Grievance procedure that provides for binding arbitration as the last step.

**Alternative dispute resolution (ADR)**

Procedural conflict resolution technique used in Western societies that covers a variety of approaches, including review by panels of peers and third-party arbiters; generally, involves fact finding and the opportunity to air grievances.

**Alternative staffing**

Use of alternative recruiting sources and workers who are not regular employees; also known as flexible staffing.

**Amendment**

Modification of the Constitution or a law; modification may be either formal (written) or informal (unwritten).

**Americans with Disabilities Act (ADA)**

The act requiring employers to make reasonable accommodation for disabled employees in US. It prohibits discrimination against disabled persons.

**Analysis**

Level of learning characterized by understanding information to the level of being able to break it down and explain how it fits together.

**Andragogy**

Study of how adults learn.

**Annual bonus**

Plans that are designed to motivate short-term performance of managers and are tied to company profitability.

**Applicant tracking systems**

Online systems that help employers attract, gather, screen, compile, and manage applicants.

**Application**

Level of learning characterized by ability to use learned information in a new situation.

**Application form**

The form that provides information on education, prior work record, and skills.

**Appraisal interviews**

An interview in which the supervisor and subordinate review the appraisal and make plans to remedy deficiencies and reinforce strengths.

**Apprenticeship**

Relates to technical skills training; often a partnership between employers and unions.

**Apprenticeship training**

A structured process by which people become skilled workers through a combination of classroom instruction and on-the-job training.

**Aptitude**

Ability to learn information or acquire a skill.

**Aptitude tests**

Tests that measure the general ability or capacity to learn or acquire a new skill.

**Arbitration**

The most definitive type of third-party intervention, in which the arbitrator usually has the power to determine and dictate the settlement terms.

**Assessment centers**

Method of evaluating candidates using content-valid work samples of a job; typically for managerial positions.

**Assets**

Financial, physical, and sometimes intangible properties an organization owns.

**Assimilation**

Process through which an employee becomes a committed member of an organizational team.

**Asynchronous learning**

Form of e-learning in which participants access information, often individually, at different times and in different places.

**At-risk variable pay plans**

Plans that put some portion of the employees' weekly pay at risk, subject to the firm meeting its financial goals.

**Attrition**

A term used to describe voluntary and involuntary terminations, deaths, and employee retirements that result in a reduction to the employer's physical workforce.

**Auditory learners**

People who learn best by relying on their sense of hearing.

**Authority**

The right to make decisions, to direct the work of others, and give orders.

**Authorization cards**

In order to petition for a union election, the union must show that at least 30% of employees may be interested in being unionized. Employees indicate this interest by signing authorization cards.

**Availability analysis**

Analysis in which organization considers internal and external availability in determining theoretical availability of minorities and women for established job groups.

**Balance billing**

Practice where an uncontracted medical provider bills a patient for all charges not paid for by the patient's insurance plan, even if those charges are above the plan's usual and customary rate or are considered medically unnecessary.

**Balance sheet**

Statement of a firm's financial position at a time.

**Balance sheet compensation strategy**

Compensation approach that seeks to preserve the purchasing power of an employee assigned to another country by balancing the differences in various categories of expenditures between the two countries.

**Balanced scorecard**

Measurement approach that provides an overall picture of an organization's performance as measured against goals in finance, customers, internal business processes, and learning and growth.

**Bargaining unit**

The group of employees the union will be authorized to represent.

**Base pay**

Basic compensation an employee receives, usually as a wage or salary.

**Behavior modeling**

A training technique in which trainees are first shown good management techniques in a film, are then asked to play roles in a simulated situation and are then given feedback and praise by their supervisor.

**Behavior modification**

Changing behavior through rewards or punishments that are contingent upon performance.

**Behavior-based safety**

Identifying the worker behaviors that contribute to accidents and then training workers to avoid these behaviors.

**Behavioral interviews**

A series of job-related questions that focus on how they reacted to actual situations in the past.

**Behaviorally anchored rating scale (BARS)**

An appraisal method that aims at combining the benefits of narrative and quantified

ratings by anchoring a quantified scale with specific narrative examples of good and poor performance.

**Benchmark jobs**

Jobs used as reference points when setting up a job classification system and when designing or modifying a pay structure.

**Benchmarks**

Measures of key criteria that can be compared across organizations to assess effectiveness.

**Benefits**

Tangible payments or services provided in a similar manner to broad groups of employees to cover common issues, such as those related to retirement, private health coverage, sick pay/disability schemes, life insurance, and paid time off.

**Bias**

The tendency to allow individual differences such as age, race, and sex to affect the appraisal rates these employees receive.

**Bill**

Proposal presented to a legislative body for possible enactment as a law.

**Blackout period**

Any period of more than three consecutive business days during which participants or beneficiaries of 401(k) and other defined contribution plans cannot direct or diversify assets credited to their accounts and obtain loans or distributions.

**Blended learning**

Planned approach to learning that includes a combination of methods such as classroom, e-learning, self-paced study, and performance support such as job aids or coaching.

**Bloodborne pathogens**

Microorganisms in human blood that can cause disease in humans.

**Bloodborne Pathogens standard**

OSHA standard that requires employers to protect employees from potentially infectious materials.

**Bona fide occupational qualification (BFOQ)**

Exception to U.S. definition of employment discrimination; situation in which gender, religion, or national origin is reasonably necessary to carrying out a particular job function in the normal operations of a business or enterprise.

**Boycott**

the combined refusal by employees and other interested parties to buy or use the employer's products.

**Brain drain**

Exit of educated and skilled citizens from emerging and developing countries for better-paying jobs in developed countries.

**Break-even analysis**

Analysis that shows point in time at which total revenue associated with a program is equal to the total cost of the program.

**Broad banding**

Combining several salary grades or job classifications with narrow pay ranges into one band with a wider salary spread.

**Building-related illness (BRI)**

Situation in which building occupants experience acute health and comfort effects that can be attributed directly to airborne building contaminants.

**Bumping**

Giving more-senior workers whose jobs have been eliminated the right to transfer into jobs of less-senior workers.

**Bumping/layoff procedures**

Let employees use their seniority to remain on the job.

**Bureaucracy**

A body of nonelected government officials, or an administrative policy-making group.

**Burnout**

The total depletion of physical and mental resources caused by excessive striving to reach an unrealistic work-related goal.

**Business continuity planning**

Management process that identifies potential threats and impacts to an organization and provides framework for ensuring that it can withstand disruption, interruption, or loss of normal business functions/operation.

**Business Model**

A business model describes the rationale of how an organization creates, delivers, and captures value.

**Business plan**

Provides a comprehensive view of the firm's situation today and of its company-wide and departmental goal and plans for the next 3 to 5 years.

**Call-back pay**

Pay that employees receive when they are called back for an extra shift in the same workday.

**Canada Labour Code**

Basic labor law in Canada; has three broad categories related to industrial relations, occupational health and safety, and employment relations.

**Canada Pension Plan (CPP)**

Contributory, earnings-related social insurance program established in Canada in 1966.

**Candidate-order error**

An error of judgment on the part of the interviewer due to interviewing one or more very good or very bad candidates just before the interview in question.

**Capacity**

To an operations department, the ability to yield output.

**Capitated health-care plan**

Type of health-care plan in which the physician is paid on a per capita (per head) basis rather than for actual treatment provided.

**Career**

The occupational positions a person has had over many years.

**Career anchors**

Pivots around which a person's career swings; require self-awareness of talents and abilities, motives and needs, and attitudes and values.

**Career cycle**

The various stages a person's career goes through.

**Career development**

Process by which individuals progress through a series of stages in their careers, each of which is characterized by relatively unique issues, themes, and tasks.

**Career management**

Process of preparing, implementing, and monitoring the career paths of employees, with a primary focus on the goals and needs of the organization.

**Career planning**

Actions and activities that individuals perform to give direction to their work life.

**Case study method**

A development method in which the manager is presented with a written description of an organizational problem to diagnose and solve.

**Cash balance plan**

Form of defined benefit plan that defines the promised benefit in terms of a hypothetical account balance and features benefit portability.

**Cause-and-effect diagram**

Diagram that maps out a list of factors that are thought to affect a problem or a desired outcome.

**Caux Principles**

Set of international ethical principles in which businesses are urged to treat employees with honesty and dignity, provide sustainable working conditions, engage in good-faith negotiations, avoid discriminatory practices, and be sensitive to unemployment arising from business decisions.

**Center of excellence**

HR organizational alternative established as an independent department that provides services within a focused area to internal clients.

**Central tendency error**

Error that occurs when an appraiser rates all employees within a narrow range, regardless of differences in actual performance.

**Centralization**

Degree to which decision-making authority is restricted to higher levels of management in an organization.

**Certification of representative**

NLRB certification indicating that a union has won an election and will be the exclusive representative of the bargaining unit.

**Certification of results**

NLRB certification indicating that a union has lost an election.

**Chain of command**

Refers to a line of authority within an organization.

**Check sheets**

simple visual tools used to collect and analyze data.

**Circuit City Stores v. Adams**

Case in which Supreme Court ruled that a pre-hire employment application requiring that all employment disputes be settled by arbitration was enforceable under the Federal Arbitration Act.

**Citation**

Summons informing employers and employees of the regulations and standards that have been violated in the workplace.

**City of Richmond v. J. A. Croson Company**

1989 Court ruling that the numerical quota system of Richmond, Virginia, was

unconstitutional because the city had not laid the proper groundwork and had not adequately identified or documented discrimination.

### **Civil law**

Legal system based on written codes (laws, rules, or regulations).

### **Civil Rights Act of 1964**

First comprehensive U.S. law making it illegal to discriminate based on race, color, religion, sex, or national origin.

### **Civil Rights Act of 1991**

Act that expands the possible damage awards available to victims of intentional discrimination to include compensatory and punitive damages; gives plaintiffs in cases of alleged intentional discrimination the right to a jury trial.

### **Civil Service Reform Act**

Act that extended collective bargaining rights to federal employees.

### **Classes**

Grouping jobs based on a set of rules for each group or class, such as amount of independent judgment, skill, physical effort, and so forth, required for each class of jobs. Classes usually contain similar jobs.

### **Clayton Act**

Act that minimally restricted the use of injunctions against labor and legalized peaceful strikes, picketing, and boycotts.

### **Cliff vesting**

Requires participants to complete a specific number of years of service with an employer before they get any vested benefits, after which they are 100% vested.

### **Closed questions**

Questions that can usually be answered with yes or no.

### **Closed shop**

A form of union security in which the company can hire only union members. This was outlawed in 1947 but still exists in some industries (such as printing).

### **Co-determination**

Codetermination refers to employees have a right to participate not just in the management of the workplace but also in that of the company, through elected the board of directors in a company.

### **Co-employment**

Situation in which an organization shares joint responsibility and liability for their alternative workers with an alternative staffing supplier; also known as joint employment.

**Coaching**

Ongoing meetings between a manager and an employee to discuss performance improvement, career goals, or professional development activities.

**Coalition bargaining**

When more than one employer negotiates with the union; also known as multiple employer bargaining.

**Code of ethics**

Principles of conduct within an organization that guide decision making and behavior.

**Codetermination**

Form of corporate governance that requires a typical management board and a supervisory board and that allows management and employees to participate in strategic decision making.

**Codetermination**

As related to international labor relations, a practice in which employees have a role in the management of a company that includes worker representatives with voting rights on the corporate board of directors.

**Cognitive ability tests**

Tests that assess skills the candidate has already learned.

**Collective bargaining**

Process by which management and union representatives negotiate the employment conditions for a bargaining unit for a designated period.

**Collective bargaining agreement (CBA)**

Agreement or contract negotiated through collective bargaining process.

**Commercial diplomacy**

Efforts of business and government to achieve commercial objectives in international countries surrounding trade agreement negotiations.

**Commission**

Payment made to salespeople, usually calculated as a percentage of sales.

**Committee**

Group of people and resources who come together for the accomplishment of a specific organizational objective.

**Common law**

Dictates that custom and usage have the force of law, even if not specifically found in legislatively enacted, codified, written laws.

**Common situs picketing**

Situation in which lawful picketing of a primary employer also affects a secondary employer that occupies common premises; employers may establish separate or reserved gates, one for the struck employer and the other for all other employers.

**Community of interests**

Mutuality of interests among employees in bargaining for wages, hours, and working conditions.

**Commuter assignments**

Assignments in which employees live in one country and work in another country by regularly commuting across borders to perform different aspects of their jobs while their families remain at home.

**Compa-ratio**

Pay level divided by the midpoint of the pay range.

**Comparable worth**

Concept that states that jobs requiring comparable skills, effort, responsibility, and working conditions filled primarily by women should have the same job classification and salary as similar jobs filled by men.

**Compensable factors**

Reflect the dimensions along which a job is perceived to add value to the organization; these factors are used to determine which jobs are worth more than others.

**Compensation**

All financial returns and tangible services, including salary, allowances, and incentives.

**Competencies**

Set of behaviors encompassing skills, knowledge, abilities, and personal attributes that are critical to successful work accomplishment.

**Competency**

Set of behaviors encompassing skills, knowledge and abilities, and attitudes and attributes that, when taken together, are critical to the successful performance of a specific task or function.

**Competency model**

Collection of competencies related to a specific position or job function.

**Competency-based job analysis**

Describing the job in terms of the measurable, observable, behavioral competencies (knowledge, skills, and/or behaviors) that an employee doing that job must exhibit to do the job well.

**Competency-based pay**

Where the company pays for the employee's range, depth, and types of skills and knowledge, rather than for the job title he or she holds.

**Competitive advantage**

Any factors that allow an organization to differentiate its product or service from those of its competitors to increase market share.

**Competitive strategy**

A strategy that identifies how to build and strengthen the business's long-term competitive position in the marketplace.

**Compliance evaluation**

Evaluation that requires an organization to provide details on and documentation of its affirmative action plan.

**Comprehension**

Level of learning characterized by ability to translate or interpret information.

**Compressed workweek**

A plan in which employees work fewer days each week, but each day they work longer hours.

**Computer vision syndrome (CVS)**

Vision problems such as headaches and blurred vision that are associated with video display terminals.

**Computerized forecast**

The determination of future staff needs by projecting a firm's sales, volume of production, and personnel required to maintain this volume of output, using computers and software packages.

**Conciliation**

Method of nonbinding dispute resolution involving a third party who tries to help disputing parties reach a mutually agreeable decision; also known as mediation.

**Concurrent validity**

Type of criterion-related validity determined by relating the test scores of a group of test takers who take a test (Test A) to some other criterion measure (Test B) that is administered at the same time.

**Confined Space Entry standard**

OSHA standard that requires space-entry restrictions, rescue procedures, and a written safe-entry program to address concerns over adequate oxygen content in the air, toxic substance exposure, and physical exposures for workers in confined spaces.

**Congressional Accountability Act**

Act that requires that federal employee relations legislation enacted by Congress apply to employees of Congress.

**Consent election**

Type of representation election that involves an agreement between an employer and a union to waive the pre-election hearing.

**Consolidated Omnibus Budget Reconciliation Act (COBRA)**

Act that provides individuals and dependents who may lose medical coverage with opportunity to pay to continue coverage.

**Construct validity**

Extent to which a selection device measures the theoretical construct or trait (e.g., intelligence or mechanical comprehension).

**Constructive confrontation**

Intervention strategy that focuses on job performance.

**Constructive discharge**

Occurs when an employer makes working conditions so intolerable that an employee has no choice but to resign.

**Consumer Credit Protection Act**

Act that limits the amount of wages that can be garnished or withheld in any one week by an employer to satisfy creditors.

**Consumer picketing**

Product boycotts involving such activities as distributing handbills, carrying placards, and urging customers to refuse to purchase products from a retail or wholesale business.

**Consumer price index (CPI)**

Instrument that measures change over time for costs of a group of goods and services.

**Consumer-directed health care**

Health-care options intended to help employers better control costs while allowing employees to make more decisions about their health care.

**Content validity**

Degree to which an interview, test, or other selection device measures the knowledge, skills, abilities, or other qualifications that are part of the job.

**Contract Labour Act, India**

Indian law that regulates the use of contract labor, including provisions for registration of establishments and licensing of contractors, facilities to ensure contractor welfare and health, and payment of wages.

**Contract manufacturing**

Market entry strategy that involves contracting for the manufacture of components or products as a means of lowering labor costs.

**Contrast error**

Error that occurs when an employee's rating is based on how his or her performance compares to that of another employee rather than objective standards.

**Control**

To an operations department, an after-the-fact evaluation of a company's ability to meet its own specifications and its customers' needs.

**Control chart**

Chart that illustrates variations from normal in a situation over time.

**Control of Hazardous Energy standard**

OSHA standard that requires action so equipment cannot be activated (lockout) and signs or labels (tagout) attached to dangerous equipment that should not be activated.

**Controlled experimentation**

Formal methods for testing the effectiveness of a training program, preferably with before-and-after tests and a control group.

**Controlling**

The management function concerned with monitoring employees' activities, keeping the organization on track toward its goals, and making corrections as needed.

**Conventions, ILO**

International treaties that are legally binding once ratified; a standard of the International Labour Organization.

**Coordinated bargaining**

When an employer bargains with several unions simultaneously but on a separate basis.

**Coordination of benefits**

Eliminates the duplication of payments when an employee, spouse, or dependents have health coverage under two or more plans.

**Copayment**

Specified percentage (typically 20% to 30%) of covered medical expenses that employee pays or fixed dollar amount that a covered person pays each time he or she visits a physician or purchases prescription drugs.

**Copeland "Anti-Kickback" Act**

Act that prohibits federal contractors from receiving kickbacks from employees or subcontractors for wages earned on federal projects.

**Copyright**

Form of protection provided by the U.S. government to authors of "original works" to exclude others from printing or otherwise duplicating, distributing, or vending copies of his/her literary, artistic, and other creative expressions.

**Copyright Act**

Act that defines the protection provided to authors of "original works" to exclude others from printing or otherwise duplicating, distributing, or vending copies of his or her literary, artistic, and other creative expressions, including through the various means of technology.

**Core competencies**

Knowledge, attitudes, attributes, and abilities that an employee must possess to successfully perform job functions that are essential to the organization's operation.

**Corporate campaign**

An organized effort by the union that exerts pressure on the corporation by pressuring the company's other unions, shareholders, directors, customers, creditors, and government agencies, often directly.

**Corporate social responsibility (CSR)**

Recognition of the impact a corporation has on the lives of its stakeholders (including shareholders, employees, communities, customers, and suppliers) and the environment; can include corporate governance, corporate philanthropy, sustainability, and employee rights and workplace safety.

**Corporate-level strategy**

Type of strategy that identifies the portfolio of businesses, that, in total, comprise the company and the ways in which these businesses relate to each other.

**Correlation**

Measure that indicates the relationship between two variables.

**Cosourcing**

Arrangement in which an enterprise and a vendor share different tasks within a larger complex, often strategic responsibility.

**Cost per hire**

Cost of hire is a traditional measure of recruiting costs; determined by taking the total costs of all hires and dividing that figure by the number of new hires.

**Cost-benefit analysis**

Ratio that allows management to determine the financial impact activities and programs will have on a company's profitability.

**Cost-of-living adjustment (COLA)**

Periodic compensation payment given to eligible employees regardless of their performance or company profitability; usually linked to inflation.

**Council Directive 2001/23/EC, EU**

EU directive that deals with the laws of member states relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses, or parts of undertakings or businesses.

**Council Regulation 1408/71, EU**

Regulation that coordinates national social security legislation and protects the social security rights of persons moving within the European Union.

**Council Regulation 1612/68, EU**

Regulation that ensures the mobility of workers within the European Union.

**Counseling**

Form of intervention in which the emphasis is on the cause of a problem rather than on job performance.

**Coverdell Education Savings Account (ESA)**

Trust created exclusively for paying the qualified education expenses of a designated beneficiary.

**Criterion validity**

A type of validity based on showing that scores on the test (predictors) are related to job performance.

**Criterion-related validity**

Refers to the link between a selection device and job performance.

**Critical incident method**

Keeping a record of uncommonly good or undesirable examples of an employee's work-related behavior and reviewing it with the employee at predetermined times.

**Cultural coaching**

Cultural awareness and cultural understanding coaching that is completed by former international assignees or for potential international assignees.

**Cultural intelligence**

Capacity to recognize, interpret, and behaviorally adapt to cultural contexts.

**Cultural noise**

Failure to recognize responses of a candidate that are socially acceptable rather than factual.

**Culture**

Shared system of values, beliefs, and attitudes.

**Danger premium**

Additional incentive provided by an employer when the employee is assigned to a location in which there are risks of bodily harm, such as those related to war, unstable political conditions, or other dangerous environments.

**Data Protection Act, U.K.**

Primary piece of U.K. legislation governing the protection of personal data; implements EU Directive 95/46/EC on the protection of individuals regarding the processing of personal data and on the free movement of such data.

**Davis-Bacon Act**

Act that established prevailing wage and benefit requirements for contractors on federally funded construction projects.

**Days to fill**

Number of days from when a job requisition is opened until the offer is accepted by the candidate; also known as time to fill.

**De minimis violation**

Violation of an OSHA standard that does not have a direct impact on employees' safety and health on the job.

**Deauthorization**

Removes authority of a bargaining representative in a non-right-to-work state to negotiate or enforce a union security clause.

**Decentralization**

Degree to which decision-making authority is given to lower levels in an organization's hierarchy.

**Decertification**

Means for employees to terminate union representation; removes union from its position as bargaining representative.

**Decline stage**

Period where many people face having to accept reduced levels of power and responsibility and must learn to develop new roles as mentors or confidantes for younger people.

**Decreasing returns**

Type of learning curve in which the amount of learning or skill level increases rapidly at first and then the rate of improvement slows.

**Dedicated HR**

HR organizational alternative that allows businesses with different strategies in multiple units to apply HR expertise to each unit's specific strategic needs.

**Deductible**

Initial amount of covered medical expenses an individual must pay before receiving paid benefits under a health-care plan.

**Deductive reasoning**

Involves applying specific premises to a given situation to develop certain predictions about or understanding of the situation.

**Deemed export rule, U.S.**

Rule that states that an export license will be required to release technology or source code to a foreign national in the United States if an export license would normally be required to export that technology to the foreign national's country of citizenship.

**Defamation**

Injuring someone's reputation by making a false and malicious statement; may be spoken (slander) or written (libel).

**Deferred compensation**

Plan that provides income to employees at some future time as compensation for work performed now.

**Deferred profit-sharing plan**

A plan in which a certain amount of profits is credited to each employee's account, payable at retirement, termination, or death.

**Defined benefit pension plan**

A plan that contains a formula for determining retirement benefits.

**Defined benefit plan**

Promise made by a retirement plan guaranteeing that a specified amount will be provided to the employee at some later date, most often the date of retirement.

**Defined benefit plan**

Plan that promises employee a retirement benefit amount based on a formula.

**Defined contribution plan**

Retirement plan that specifies how much money is to be regularly contributed, but no promises are made regarding the future value of the benefit; amount of benefit at retirement will depend on the investment return.

**Delphi technique**

Forecasting technique that progressively collects information from a group without physically assembling the contributors.

**Departmentalization**

Departmentalization can be described as the system in place which firms group jobs into more provincial (narrow) units.

**Detached worker rule**

Social security rule that stipulates that, in the case of individuals on international assignment, home-country social security taxes will apply.

**Developmental activities**

Activities that focus on preparing employees for future responsibilities while increasing their capacity to perform their current jobs.

**Diary or Log**

Daily listings made by workers of every activity in which they engage along with the time each activity takes.

**Differential pay**

Pay that is based on when the employee works (e.g., overtime pay, shift-pay differential) or where the employee works.

**Digital dashboard**

Presents the manager with desktop graphs and charts, and so a computerized picture of where the company stands on all those metrics from the HR Scorecard process.

**Dilemma reconciliation**

Method of resolving cross-cultural differences that focuses on use of the three R's: recognize, respect, and reconcile.

**Direct compensation**

Pay that is received by an employee, including base pay, differential pay, and incentive pay.

**Direct financial payments**

Pay in the form of wages, salaries, incentives, commissions, and bonuses.

**Directed election**

Type of representation election ordered by the NLRB regional director after a pre-election hearing.

**Directive interview**

Type of interview in which interviewer poses specific questions to a candidate and keeps control.

**Directive on Acquired Rights, EU**

EU directive that safeguards employee rights if their employment is transferred.

**Directive on Equal Treatment Disregarding Race or Ethnic Origin, EU**

EU directive that sets out the principle of equal treatment between persons irrespective of racial or ethnic origin.

**Directive on Equal Treatment of Men and Women, EU**

EU directive that requires the equal treatment of men and women in relation to access to employment, vocational training and promotion, and working conditions.

**Directive on European Works Council, EU**

EU directive that establishes group in EU-scale organizations or a procedure in such employers for purposes of informing and consulting employees.

**Directive on Information and Consultation, EU**

EU directive that establishes minimum requirements for employers to consult and provide information to their workers about changes, especially those affecting jobs.

**Directive on Protection of Personal Data, EU**

EU directive that protects employees in relation to the processing of their personal data.

**Directors' and officers' (D&O) liability insurance**

Protects directors, officers, and corporations from claims such as shareholder class actions and SEC violations for fraud and mismanagement.

**Disability**

As defined by the U.S. Americans with Disabilities Act, a physical or mental impairment that substantially limits one or more major life activities.

**Disaster recovery plan**

Guidelines and procedures to be used by an organization for the recovery of business operations when lost due to disasters such as earthquakes, fires, tornadoes, floods, hurricanes, terrorism, or epidemics.

**Dismissal**

Involuntary termination of an employee's employment with the firm.

**Disparate impact**

Occurs when the selection rate for a protected class is less than 80% of the rate for the class with the highest selection rate; also known as adverse impact.

**Disparate rejection rates**

One test for adverse impact in which it can be demonstrated that there is a discrepancy between rates of rejection of members of a protected group and of others.

**Disparate treatment**

Occurs when protected classes are intentionally treated differently from other employees or are evaluated by different standards.

**Distance learning**

Process of delivering educational or instructional programs to locations away from a classroom or site.

**Distributed training**

Use of an organization's electronic communication network to teach, train, and communicate.

**Distributive bargaining**

When parties are in conflict over an issue and the outcome represents a gain for one party and a loss for the other; each party tries to negotiate for the best possible outcome.

**Distributive justice**

The fairness and justice of a decision's results.

**Diversity**

The variety or multiplicity of demographic features that characterize a company's workforce, particularly in terms of race, sex, culture, national origin, handicap, age, and religion.

**Diversity training**

Training designed to inform and educate senior management and staff about diversity and to develop concrete skills among staff that will facilitate enhanced productivity and communications among all employees.

**Divestiture**

Sale by a company of an asset that is not performing well, that is not core to the company's business, or that is worth more as a separate entity.

**Divisional structure**

Organizational structure in which segments are separated by product, customer or market, or region.

**Domestic organization**

Type of organization in which products or services are developed in the home country and produced and sold there.

**Double breasting**

When a common owner operates both union and nonunion businesses.

**Downsizing**

The process of reducing, usually dramatically, the number of people employed by a firm.

**Draw**

Amount advanced on future commissions.

**Drug-Free Workplace Act**

Requires federal contractors with contracts of \$100,000 or more as well as recipients of grants from federal government to certify they are maintaining a drug-free workplace.

**Dual-ladder programs**

Career development programs that identify meaningful career paths for professional and technical people whose preferences may be outside traditional management roles.

**Due diligence**

Process of investigating and evaluating the details of a business decision that may affect its outcome before mergers, acquisitions, partnerships, alliances, and outsourcing.

**Due process**

Agreed procedures through which a government's written and publicly disclosed laws are enforced.

**Dues checkoff**

Where employees agree in writing to an automatic deduction of dues from their paychecks.

**Duty of fair representation**

Requires that unions act fairly on behalf of the employees they represent in negotiating and administering collective bargaining agreements.

**Duty of good faith and fair dealing**

Imposes on each party in a contract an obligation for honesty in the conduct of the transaction.

**Duty of loyalty**

Common-law precept that imposes on employees a duty to be loyal to the employer.

**Duty of successor employers or unions**

Mutual bargaining obligation of an employer and a union when a majority interest in a unionized company is sold to another employer.

**E-learning**

Delivery of formal and informal training and educational materials, processes, and programs via the use of electronic media.

**E. I. Dupont & Company**

1993 NLRB ruling that held certain employee committees to be illegal because Dupont management circumvented the legally chosen employee representatives and usurped the union's right to represent its members.

**Early retirement window**

A type of offering by which employees are encouraged to retire early, the incentive being liberal pension benefits plus perhaps a cash payment.

**Early-return-to-work program**

When an employer offers an employee a less-strenuous job until he or she is fit to return to their regular job; also known as modified-duty program.

**Economic Growth and Tax Relief Reconciliation Act (EGTRRA)**

Act that adjusts minimum vesting schedules, increases retirement plan compensation and contribution limits, permits catch-up contributions by participants age 50 or older in certain retirement plans, and modifies distribution and rollover rules.

**Economic strike**

A strike that results from a failure to agree on the terms of a contract that involve wages, benefits, and other conditions of employment.

**ECPA**

The Electronics Communications Privacy Act is intended in part to restrict interception and monitoring of oral and wire communications.

**EEOC**

The commission, created by Title VII, is empowered to investigate job discrimination complaints and sue on behalf of complainants.

**Efficient purchaser index (EPI)**

Assumes that an assignee is no longer completely new to a location and has learned to purchase better and can secure prices that are lower because of his or her increasing familiarity with the location; goods and services allowance is reduced immediately or after a certain period.

**Electromation**

1992 court decision that employers must deal cautiously with employee participation committees based on the NLRB's interpretation of what constitutes a company-dominated labor organization.

**Electronic Communications Privacy Act (ECPA)**

Act that makes it unlawful to intercept messages in transmission, access stored information on electronic communication services, or disclose this information.

**Electronic performance monitoring (EPM)**

Having supervisors electronically monitor the amount of computerized data an employee is processing per day, and thereby his or her performance.

**Electronic performance support systems (EPSS)**

Sets of computerized tools and displays that automate training, documentation, and phone support, integrate this automation into applications, and provide support that's faster, cheaper, and more effective than traditional methods.

**Ellerth v. Burlington Northern Industries**

Court ruling that distinguished between supervisor harassment that results in tangible employment action and supervisor harassment that does not.

**Emergency Exit Procedures (Means of Egress) standard**

OSHA standard that provides guidelines for preparing an emergency action plan and includes specifications regarding exits and maintenance of emergency systems.

**Emergency-shift pay**

Extra pay that employees receive when they are called into work during an emergency (e.g., a power outage).

**Emotional intelligence (EI)**

Ability of an individual to be sensitive to and understanding of the emotions of others and to manage his or her own emotions and impulses.

**Employee assistance program (EAP)**

A formal employer program for providing employees with counseling and/or treatment programs for problems such as alcoholism, gambling, or stress.

**Employee assistance programs (EAPs)**

Company-sponsored programs that deliver a variety of health-related services, which are provided by licensed professionals or organizations and offer employees a high degree of confidentiality.

**Employee Commuting Flexibility Act**

Amendment to the Portal-to-Portal Act; clarifies that commuting time is not paid working time.

**Employee compensation**

All forms of pay or rewards going to employees and arising from their employment.

**Employee engagement**

Extent to which an organization's employees commit to something or someone in their organization, how hard they work, and how long they stay because of their commitment.

**Employee handbook**

Explains major HR and employee policies and procedures and generally describes the employee benefits provided.

**Employee involvement (EI)**

Planned and orderly attempt to link the shared interests of the employee and the company for their mutual benefit.

**Employee orientation**

A procedure for providing new employees with basic background information about the firm.

**Employee Polygraph Protection Act**

Act that makes it unlawful for employers to use polygraphs in employment decisions except for a few narrowly defined exceptions for "security-sensitive" positions.

**Employee recruiting**

Finding and/or attracting applicants for the employer's open positions.

**Employee retention**

Ability to keep valued employees in the organization.

**Employee Retirement Income Security Act (ERISA)**

Act that established uniform minimum standards for employer-sponsored retirement and health and welfare benefit programs.

**Employee Retirement Income Security Act (ERISA), U.S.**

U.S. law that establishes uniform minimum standards to ensure that employee benefit plans are established and maintained in a fair and financially sound manner; protects the interests of participants in employee benefit plans and their beneficiaries.

**Employee stock-ownership plans (ESOP)**

Stock bonus plans by which employees gain ownership in the organization for which they work.

**Employees**

Workers who are covered by Fair Labor Standards Act regulations as determined by the IRS.

**Employees' Provident Funds and Miscellaneous Provisions Act, India**

Indian law that established compulsory contributory fund for the future of an employee after retirement or for surviving dependents in case of early death.

**Employment Act, U.K.**

U.K. act that covers provisions related to maternity, paternity, and adoption leave rights; flexible working; minimum dismissal procedures and disciplinary and grievance procedures; union learning; Equal Pay Act questionnaires; fixed-term work; and formal procedures to be followed by employees and employers in connection with disciplinary matters and grievances.

**Employment at will (EAW)**

Common-law principle stating that employers have the right to hire, fire, demote, and promote whomever they choose for any reason unless there is a law or contract to the contrary and that employees have the right to quit a job at any time.

**Employment branding**

Process of positioning an organization as an "employer of choice" in the labor market.

**Employment contract**

Agreement between an employer and an employee that explains the employment relationship.

**Employment Equity Act (EEA), Canada**

Canadian law designed to promote the representation and advancement of four designated groups (women, people with disabilities, Aboriginal peoples, and visible minorities) in the workforce of federally regulated employers.

**Employment Insurance Act, Canada**

Canadian law that provides for the payment of labor adjustment benefits to laid-off employees.

**Employment offer**

Makes the hiring decision official; should immediately follow the final decision to hire a candidate; formally communicated through offer letter.

**Employment or personnel planning**

The process of deciding what positions the firm will have to fill, and how to fill them.

**Employment practices liability insurance (EPLI)**

Protects an employer against claims by workers that their legal rights as employees of the company have been violated.

**Employment-at-will (EAW)**

Common-law principle stating that employers have the right to hire, fire, demote, and promote whomever they choose for any reason unless there is a law or contract to the contrary and that employees have the right to quit a job at any time.

**Enterprise risk management (ERM)**

Software systems that help identify and manage operational risk across an organization.

**Environmental scan**

Survey of internal and external environments to identify internal strengths and weaknesses and external potential opportunities and threats.

**Environmentalscanning**

Process that involves a systematic survey and interpretation of relevant data to identify external opportunities and threats.

**Epidemiology**

Branch of medicine that investigates the causes and control of diseases in a population.

**Equal Pay Act (EPA)**

Act that prohibits wage discrimination by requiring equal pay for equal work.

**Equal Pay Act of 1963**

The act requiring equal pay for equal work, regardless of sex.

**Equal work**

Work having equal skills, equal effort, equal responsibility, and equal working conditions, all performed at the same location.

**Equity**

Number of owners' or shareholders' portion of a business.

**Equity compensation**

Noncash compensation that represents an ownership interest in a company.

**Equity partnership**

Market entry strategy that involves acquiring partial ownership through purchase of shares; may be general (sharing proportionally in control, profits, and liabilities) or limited (no managerial authority, liability limited to investment).

**Ergonomics**

Design of the work environment to address the physical demands experienced by employees.

**Errors and omissions (E&O) insurance**

Form of professional liability coverage that protects against employment claims.

**Essential function**

Primary job duty that a qualified individual must be able to perform, either with or without accommodation; a function may be considered essential because it is required in a job or because it is highly specialized.

**Essential functions**

As defined under U.S. law, refers to the primary job duties that a qualified individual must be able to perform, either with or without accommodation.

**Establishment stage**

Spans roughly ages 24 to 44 and is the heart of most people's work lives.

**Ethical Trading Initiative (ETI)**

Alliance of employers, nongovernmental organizations, and trade unions based in U.K. that emphasizes labor issues associated with global supply chains; principles include freedom of association, sustainable working conditions, etc.

**Ethics**

The principles of conduct governing an individual or a group; specifically, the standards you use to decide what your conduct should be.

**Ethics code**

A doctrine which memorializes the standards to which the employer expects its employees to adhere.

**Ethnocentric**

The notion that home-country attitudes, management style, knowledge, evaluation criteria, and managers are superior to anything the host country has to offer.

**Ethnocentric staffing orientation**

Staffing orientation in which headquarters maintains tight control over international operations by staffing key positions in subsidiaries with headquarters personnel.

**Ethnocentrism**

View of the world that recognizes that there may be other ways of living or working but that perceives them to be less effective or of less value.

**Ethnorelativism**

Perceiving cultural differences as inevitable and acknowledging that one's world view is not that of others.

**European Works Councils (EWC)**

EWC involves consulting a forum of employee representatives from across the EU member states about workplace change with cross-border implications.

**Evaluation**

Level of learning characterized by ability to make judgments.

**Excelsior List**

List the employer must provide the union with the names and addresses of certain employees within seven days after the direction of or consent to an election.

**Excess deferral plans**

Nonqualified deferred compensation plans that provide benefits to selected management or highly compensated employees beyond Section 401 or 415 limitations.

**Excess group-term life insurance**

Amount of employer-provided group-term life insurance over \$50,000.

**Exclusive provider organization (EPO)**

Plan in which participants must use providers in the network of coverage or no payment will be made.

**Executive coach**

An outside consultant who questions the executive's boss, peers, subordinates, and (sometimes) family to identify the executive's strengths and weaknesses, and to counsel the executive so he or she can capitalize on those strengths and overcome the weaknesses.

**Executive coaching**

Coaching typically conducted by a third-party vendor to support managers in mastering the fundamental principles and practices for achieving extraordinary results and empowering staff success.

**Executive search firms**

External recruiting method; firms seek out candidates, usually for executive, managerial, or professional positions.

**Exempt employees**

Employees who are excluded from FLSA overtime pay requirements.

**Exit interview**

Interview conducted when an employee is terminating with a company in which employee is asked to share views on selected issues.

**Exit interviewing**

Interview with employees who are leaving the firm, conducted for obtaining information about the job or related matters.

**Expatriate (Expatriate)**

Term used collectively to refer to employees sent abroad to work in a country other than where they live.

**Expatriation**

Process of sending employees abroad and supporting their ability to adapt to cultural changes and complete their international assignment.

**Expectancy**

A person's expectation that his or her efforts will lead to performance.

**Expectancy chart**

A graph showing the relationship between test scores and job performance for a large group of people.

**Experience rating**

Rating system that bases insurance rates on claims history.

**Experiment**

Research in which the researcher controls and manipulates elements of the research environment to measure the impact of each variable.

**Exploration stage**

The period (roughly from ages 15 to 24) during which a person seriously explores various occupational alternatives.

**Express oral contract**

Involves verbal promises made between employer and employee related to employment.

**Extended organization**

Alliance between organizations to create processes and information channels that allow communication and collaboration.

**Extended workforce**

An extended workforce is the combination of people who provide their skills and expertise to the organization who are not employees of the organization.

**External coaching**

Coaching typically available to professional, exempt, and/or high-potential employees that is done in a private and confidential relationship with a trained or certified consultant/coach.

**External equity**

When an organization's pay rates are at least equal to market rates.

**Extraterritorial laws**

Laws that extend certain legal requirements of a home country to the activities of its citizens traveling abroad and its entities (i.e., corporations) operating in host countries.

**Extraterritoriality**

(1) State of being beyond the jurisdiction of local laws; (2) extension of the power of a country's laws over its citizens outside that country's sovereign national boundaries.

**Extrinsic rewards**

Rewards such as pay, benefits, bonuses, promotions, achievement awards, time off, more freedom and autonomy, special assignments, etc.

**Fact finder**

A neutral party who studies the issues in a dispute and makes a public recommendation for a reasonable settlement.

**Factor comparison method**

A widely used method of ranking jobs according to a variety of skill and difficulty factors, then adding up these rankings to arrive at an overall numerical rating for each given job.

**Factories Act, India**

Indian law that defines duties of those who own or have secured the workplace to ensure safety, health, and welfare of the workers while they are working there.

**Fair and Accurate Credit Transactions Act (FACT)**

Act that provides some relief to employers using third parties to conduct workplace investigations.

**Fair Credit Reporting Act (FCRA)**

Act that protects privacy of background information and ensures that information supplied is accurate.

**Fair day's work**

Standards of output which employers should devise for each job based on careful, scientific analysis.

**Fair Labor Standards Act (FLSA)**

Act that regulates employee status, overtime pay, child labor, minimum wage, record keeping, and other administrative concerns.

**Fair use**

Provision of the Copyright Act that allows the use of copyrighted work in certain circumstances.

**Family and Medical Leave Act (FMLA)**

Act that provides employees with up to 12 weeks of unpaid leave to care for family members or because of a serious health condition of the employee.

**Family-friendly benefits**

These generally include benefits like child care, elder care, fitness facilities, and flexible work schedules, benefits that help employees balance their family and work lives.

**Faragher v. City of Boca Raton**

Court ruling that distinguished between supervisor harassment that results in tangible employment action and supervisor harassment that does not.

**Fast-track programs**

Career development programs that involve identifying a pool of potential leaders and rapidly increasing their leadership skill development.

**Featherbedding**

Situation in which unions try to require the employment of more workers than is necessary.

**Federal Contractors' Program (FCP), Canada**

Non-legislated program that extends employment equity to organizations beyond the scope of Canada's Employment Equity Act.

**Federal Insurance Contributions Act (FICA), U.S.**

U.S. law that provides for the federal system of old age, survivors', disability, and hospital insurance.

**Federal Labor Relations Authority (FLRA)**

Administers the provisions of the various executive orders that fall under the Civil Service Reform Act of 1978.

**Federal Mediation and Conciliation Service (FMCS)**

Aids in contract settlement and maintains a list of arbitrators to help interpret contract language and resolve disputes.

**Federal Violence Against Women Act of 1994**

Provides that a person who commits a crime of violence motivated by gender shall be liable to the party injured.

**Fee-for-service health-care plan**

Full-choice health-care plan that allows covered employees to go to any qualified physician or hospital and submit claims to the insurance company; also known as indemnity health-care plan.

**Fetal protection policies**

Attempts to protect the fetus from workplace hazards.

**Financial Accounting Standards Board (FASB)**

Private body that decides how financial executives should report their firms' financial information to their shareholders.

**Financial incentives**

Financial rewards paid to workers whose production exceeds some predetermined standard.

**First-impression error**

Type of interviewer bias in which interviewer makes snap judgments and lets first impression (either positive or negative) cloud the interview.

**Flat-rate pay**

Provides each incumbent of a job with the same rate of pay, regardless of performance or seniority; also known as single-rate pay.

**Flexible benefits plan / cafeteria benefits plan flextime**

Individualized plans allowed by employers to accommodate employee preferences for benefits. A plan whereby employees' workdays are built around a core of mid-day hours, such as 11:00 A.M. to 2:00 P.M. Workers determine their own starting and stopping hours.

**Flexible spending account (FSA)**

Type of Section 125 plan that allows employees to use pretax dollars to pay for out-of-pocket health and dependent-care expenses.

**Flexible staffing**

Use of alternative recruiting sources and workers who are not regular employees; also known as alternative staffing.

**Flexitime**

Work schedule that requires employees to work an established number of hours per week but allows starting and ending times to vary.

**Focus group**

Small group (normally six to twelve) invited to actively participate in a structured discussion with a facilitator.

**Forced distribution method**

Similar to grading on a curve; predetermined percentages of rates are placed in various performance categories.

**Foreign compulsion exception**

Exception to U.S. extraterritorial law that states that local law may prevail if complying with the U.S. law would cause the firm to violate host-country laws.

**Foreign Corrupt Practices Act (FCPA)**

Prohibits American companies from making corrupt payments to foreign officials for obtaining or keeping business.

**Foreign direct investment (FDI)**

Investment of foreign assets into domestic structures, equipment, and organizations.

**Foreign service premiums**

Financial payments over and above regular base pay, typically ranging between 10% and 30% of base pay.

**Formalization**

Refers to the extent that rules, policies, and procedures govern the behavior of employees in an organization.

**Formula budgeting**

Form of budgeting in which an average cost is applied to comparable expenses and general funding is changed by a specific amount.

**Forum shopping**

Situation in which a plaintiff sues in a jurisdiction more likely to be sympathetic to his or her claims; also known as jurisdiction shopping.

**Franchising**

Market entry strategy in which a trademark, product, or service is licensed for an initial fee and ongoing royalties.

**Fraudulent misrepresentation**

Intentional deception relied upon and resulting in injury to another person.

**Frequency distribution**

Listing of grouped data, from lowest to highest.

**Frequency table**

Shows the number of people or organizations associated with data organized in a frequency distribution.

**Front-back structure**

Organizational structure that divides an organization into "front" functions, which focus on customers or market groups, and "back" functions, which design and develop products and services.

**Full cafeteria plan**

Type of Section 125 plan that allows employees to choose from a menu of benefits and allocate pretax dollars to pay for those benefits.

**Fully insured health-care plan**

Health-care plan in which the employer pays a third-party insurance carrier premium that cover medical charges, administrative costs, sales commissions, taxes, and profits.

**Functional authority**

The authority exerted by an HR manager as coordinator of personnel activities.

**Functional HR**

HR organizational alternative in which headquarters HR is staffed with specialists who craft policies; HR generalists may be located within divisions or other locales to implement these policies, adapt them as needed, and interact with employees.

**Functional strategies**

Strategy that identifies the broad activities that each department will pursue to help the business accomplish its competitive goals.

**Functional structure**

Organizational structure in which departments are defined by the services they contribute to the organization's overall mission, such as marketing and sales, operations, and HR.

**Gainsharing plans**

Group incentives where a portion of the gains an organization realizes from group efforts is shared with the group.

**Gantt chart**

Project planning tool that graphically displays activities of a project in sequential order and plots them against time.

**Garnishment**

Occurs when a creditor obtains a court order requiring an employer to attach an employee's earnings to pay back a debt.

**Gatekeeper**

Individual, usually a primary-care physician, who is given control of patient access to specialists and services in a managed care organization.

**General Duty Clause**

Statement in Occupational Safety and Health Act that requires employers subject to OSHA to provide employees with a safe and healthy work environment.

**General Dynamics Land Systems, Inc., v. Cline**

Case in which Supreme Court held that the Age Discrimination in Employment Act does not protect younger workers, even if they are over age 40, from workplace decisions that favor older workers.

**General pay increase**

Pay increase given to all employees (or a class of employees such as office or production workers) based on local competitive market requirements; awarded regardless of employee performance.

**Generation X**

Group of people born roughly between the years of 1965 and 1980.

**Generation Y**

Group of people born after 1980.

**Genetic Information Nondiscrimination Act (GINA)**

Act that prohibits discrimination against individuals based on their genetic information in both employment and health care.

**Geocentric**

The belief that the firm's whole management staff must be scoured on a global basis, on the assumption that the best manager of a specific position anywhere may be in any of the countries in which the firm operates.

**Geocentric staffing orientation**

Staffing orientation in which management talent can come from any location in the enterprise.

**Geographic differential pay**

Pay based on where an employee works.

**Geographic structure**

Organizational structure very similar to the product structure except that geographic regions, rather than products, define the organizational chart.

**Glass ceiling**

Strong but invisible career barrier that sometimes exists for minorities and women.

**Global employment companies (GECs)**

Subsidiaries that multinational enterprises (MNEs) sometimes form to manage high performers and other types of employees who do not readily fit within the MNE's traditional operations.

**Global integration (GI)**

Strategy that emphasizes consistency of approach, standardization of processes, and a common corporate culture across global operations.

**Global mindset**

Ability to take an international perspective and be inclusive of other cultures and views.

**Global organization**

Type of organization that views the world as a single, global market and offers global products that have little or no national variation or that have been designed with customizable elements.

**Global staffing**

HR function that identifies staffing needs throughout a global enterprise and then recruits, selects, and deploys worldwide talent resources to meet those requirements.

**Global Sullivan Principles**

Set of ethical principles of which worker rights is a key component.

**Global talent acquisition**

Actions an organization takes to meet current and future skill needs for operations worldwide; managing of talent and skills as a single resource across the entire globe, with the objective of moving the strategic goals of the global organization forward over the long term.

**Global team**

Group of individuals that is dispersed in different locations and/or comprises people from different cultural backgrounds that is formed to address a specific business problem.

**Globalization**

Growing interconnectedness and interdependency of countries, people, and companies.

**Glocalization**

Characteristic of an organization with a strong global image but an equally strong local identity.

**Goal**

Clear statement, usually in one sentence, of the purpose and intent of a human resource development program.

**Goal congruence**

Goal congruence means that as people work to achieve their own goals, they also work to achieve the goals of the company.

**Golden handcuffs**

System of overlapping short- and long-term incentives to make it less likely that key employees will leave a company.

**Golden parachutes**

Clauses written into executive contracts that provide special payments to key executives who might lose their position or be otherwise disadvantaged if another company took control of the organization through a merger or acquisition; also known as parachutes.

**Good faith bargaining**

Both parties making every reasonable effort to arrive at agreements; proposals are being matched with counterproposals.

**Good faith effort strategy**

One of two basic affirmative action plan strategies. This emphasizes identifying and eliminating the obstacles to hiring and promoting women and minorities on the assumption that eliminating these obstacles will result in increased utilization of women and minorities.

**Good-faith bargaining**

Generally means that parties in a negotiation enter into discussion with fair and open minds and a sincere desire to arrive at an agreement.

**Governance**

Rules and processes an organization puts in place to ensure its compliance with local and international laws, accounting rules, ethical norms, and environmental and social codes of conduct.

**Grade definition**

Written descriptions of the level of, say, responsibility and knowledge required by jobs in each grade. Similar jobs can then be combined into grades or classes.

**Graded vesting**

System by which qualified retirement plan participants become incrementally vested over a period of years of service.

**Grades**

A job classification system like the class system, although grades often contain dissimilar jobs, such as secretaries, mechanics, and firefighters. Grade descriptions are written based on compensable factors listed in classification systems.

**Graphic rating scale**

A scale that lists several traits and a range of performance for each. The employee is then rated by identifying the score that best describes his or her performance for each trait.

**Gratz v. Bollinger**

Case in which Supreme Court held that University of Michigan's undergraduate admission program was not sufficiently "narrowly tailored" to consider race as a factor in admission decisions to achieve goal of a diverse student body.

**Green-circle rates**

Situation where an employee's pay is below the minimum of the range.

**Greenfield operation**

New operation built from the ground up by an organization, often in a new country, as a vehicle for global expansion.

**Grievance**

Any factor involving wages, hours, or conditions of employment that is used as a complaint against the employer.

**Grievance procedure**

Provides an orderly way to resolve differences of opinion regarding a union contract.

**Griggs v. Duke Power**

1971 case that recognized adverse impact discrimination.

**Gross domestic product (GDP)**

Estimate of the total value of goods and services produced in a country in a given year.

**Gross earnings**

Total earnings before taxes; include regular wages plus additional earnings such as tips, bonuses, and overtime pay.

**Gross profit margin**

Measures the difference between what it costs to produce a product and the selling price.

**Group interview**

Type of interview where multiple job candidates are interviewed by one or more interviewers at the same time or where multiple people in an organization interview a single job candidate.

**Group life insurance**

Provides lower rates for the employer or employee and includes all employees, including new employees, regardless of health or physical condition.

**Group-term life insurance**

Form of insurance carried by employers for their employees that provides a lump-sum payment to the employees' beneficiaries.

**Growth stage**

The period from birth to age 14 during which a person develops a self-concept by identifying with and interacting with other people.

**Grutter v. Bollinger**

Case in which Supreme Court held that University of Michigan's law school admission program was sufficiently "narrowly tailored" to consider race as a factor in admission decisions to achieve goal of a diverse student body.

**Halo effect**

In performance appraisal, the problem that occurs when a supervisor's rating of a subordinate on one trait biases the rating of that person on other traits.

**Hardship allowances**

Compensate expatriates for exceptionally hard living and working conditions at certain locations.

**Hardship premium**

Additional incentive provided by an employer to convince an employee to move to a country where the living conditions are uncomfortable or difficult.

**Harris v. Forklift Systems, Inc.**

Court ruling that established "reasonable person" standard in a sexual harassment case.

**Hazard**

Incident without adequate controls applied.

**Hazard Communication standard (Employee Right-to-Know Law)**

OSHA standard that requires labeling, Material Safety Data Sheets, training, orientation for new and transferred employees, and hazard communication programs to inform employees of hazardous chemicals in the workplace.

**Hazard pay**

Pay earned by employees who work in an environment that is considered riskier from a safety or health point of view.

**Head count**

Number of people on an organization's payroll at a moment in time; also known as full-time equivalency (FTE).

**Health**

State of well-being, free of illness or disease.

**Health Insurance Portability and Accountability Act (HIPAA), U.S.**

U.S. law that ensures that individuals who leave or lose their jobs can obtain health coverage even if they or a member of their immediate family has a serious illness or injury or is pregnant.

**Health insurance purchasing cooperative (HIPC)**

Purchases health-care plans for large groups of employers to provide small businesses the economic advantages large companies have.

**Health maintenance organization (HMO)**

A prepaid health care system that generally provides routine round-the-clock medical services as well as preventative medicine in a clinic-type arrangement for employees, who pay a nominal fee in addition to the fixed annual fee the employer pays.

**Health maintenance organizations (HMOs)**

Form of health care that provides services for a fixed period on a prepaid basis.

**Health reimbursement account (HRA)**

Employer-funded plan that reimburses employees only for eligible and substantiated health-care expenses.

**Health savings account (HSA)**

Tax-sheltered savings account similar to an IRA but created primarily to pay for medical expenses.

**High performance work system (HPWS)**

Create an organization based on employee involvement, commitment and empowerment, not employee control.

**High-context culture**

Society or group where people have close connections over a long period of time and where many aspects of behavior are not made explicit, because most members know what to do and think from years of interaction.

**Highly compensated employee (HCE)**

Determined by an array of issues such as business ownership and/or salary.

**Histogram**

Graphic representation of the distribution of a single type of measurement; data is represented by a series of rectangles of varying heights.

**Home country nationals**

Citizens of the country in which the multinational company has its headquarters.

**Homeland Security Act**

Act designed to secure the United States against terrorist attacks and other threats and hazards and ensure safe and secure borders.

**Honesty/integrity tests**

Measures of applicants' propensity toward undesirable behaviors such as lying, stealing, taking drugs, or abusing alcohol.

**Horn effect**

Type of interviewer bias in which the interviewer allows one strong point that works against candidate to overshadow all other information.

**Host-country nationals (HCNs)**

Employees hired for jobs in their own countries; also known as local nationals.

**Hostile environment harassment**

Occurs when sexual or other discriminatory conduct is so severe and pervasive that it interferes with an individual's performance; creates an intimidating, threatening, or humiliating work environment; or perpetuates a situation that affects the employee's psychological well-being.

**Hot cargo clauses**

Agreement that union members are not required to handle goods made by nonunion labor or a struck plant; generally illegal.

**Hourly wage**

Form of base pay that is dependent on the number of hours worked.

**HR audit**

An analysis by which an organization measures where it currently stands and determines what it must accomplish to improve its HR function.

**HR scorecard**

A concise measurement system that shows the quantitative standards, or "metrics" the firm uses to measure HR activities, to measure the employee behaviors resulting from these activities, and to measure the strategically relevant organizational outcomes of those employee behaviors.

**Human capital**

Knowledge, education, training, skills, and expertise of a firm's workers.

**Human immunodeficiency virus (HIV)**

Virus that may lead to the development of the acquired immune deficiency syndrome (AIDS).

**Human Resource Development (HRD)**

The integrated use of training and development, organization development (OD), and career development to improve individual, group and organizational effectiveness.

**Human resource development (HRD) process**

Systematic and planned delivery of activities that provide the members of an organization with the skills necessary to meet current and future job demands.

**Human resource information system (HRIS)**

Systematic tool for gathering, storing, maintaining, retrieving, and revising HR data.

**Human resource management (HRM)**

The staffing functions of the management process. Or, the policies and practices needed to carry out the "people" or human resource aspects of a management position, including recruiting, screening, training, rewarding, and appraising.

**Human resource metric**

The quantitative measure of some human resource management yardstick such as employee turnover, hours of training per employee, or qualified applicants per position.

**Hybrid structure**

Organizational structure that mixes elements of the functional, product, and geographic structures.

**Hypothesis**

Specific, testable prediction that is derived from a theory and describes a relationship between two variables.

**illegal bargaining items**

Items in collective bargaining that are forbidden by law; for example, the clause agreeing to hire "union members exclusively" would be illegal in a right-to-work state.

**Illegal subjects**

Those collective bargaining items that are unlawful by statute; also known as external subjects.

**Immigration Reform and Control Act (IRCA)**

Act that prohibits discrimination against job applicants based on national origin or citizenship; establishes penalties for hiring illegal aliens and requires employers to establish each employee's identity and eligibility to work.

**Impasse**

Collective bargaining situation that occurs when the parties are not able to move farther toward settlement, usually because one party is demanding more than the other is willing to offer.

**Implied contract**

Exists when an agreement is implied from circumstances even though there is no express agreement between employer and employee.

**In loco parentis**

"In place of a parent"; term used in expansion of FMLA coverage to employees who stand in place of a parent with day-to-day responsibilities to care for and financially support a child or who have a day-to-day responsibility to care for or financially support a person who stood "in loco parentis" for them.

**In-house development center**

A company-based method for exposing prospective managers to realistic exercises to develop improved management skills.

**Incentive pay**

Form of direct compensation where employers pay for performance beyond normal expectations to motivate employees to perform at higher levels.

**Incentives**

Payments in return for the achievement of specific, time-limited, targeted objectives; also known as premiums.

**Incident**

Any deviation from an acceptable standard.

**Income statement**

Statement explaining revenues, expenses, and profits over a specified period, usually a year or a quarter.

**Income Tax Act, India**

Indian law that states that every person who is assessed and whose total income exceeds the maximum exemption limit must pay income tax at the rate(s) prescribed in the law.

**Increasing returns**

Type of learning curve in which progress is initially slow because basics are being learned but then performance takes off after the initial learning phase.

**Incremental budgeting**

Form of budgeting in which the prior budget is the basis for allocation of funds.

**Indemnity health-care plan**

Full-choice health-care plan that allows covered employees to go to any qualified physician or hospital and submit claims to the insurance company; also known as fee-for-service health-care plan.

**Independent contractors**

Workers who are not covered by Fair Labor Standards Act regulations as determined by the IRS.

**Indirect compensation**

Form of compensation commonly referred to as benefits.

**Indirect financial payments**

Pay in the form of financial benefits, such as insurance.

**Individual retirement accounts (IRAs)**

Tax-deferred accounts to which wage earners can contribute an amount up to a yearly maximum.

**Inductive reasoning**

Involves looking at a set of observations and designing a rule that characterizes or explains a pattern underlying the observations.

**Industrial democracy**

As related to international labor relations, where employees have legally mandated rights to participate in management decisions.

**Industrial Disputes Act, India**

Indian law that, among other features, provides for investigation and settlement of industrial disputes, notice of change, strikes and lockouts, layoffs, retrenchment (termination), and closure of undertakings; defines unfair labor practices by unions and employers.

**Industrial relations**

Interaction between an employer and its workers.

**Inevitable disclosure**

Enables an employer to prevent an employee from taking employment with a competitor when the current employer's trade secrets might "inevitably" be disclosed.

**Informational picketing**

Type of picketing done to advise the public that an employer is nonunion.

**Injunction**

A court order compelling a party or parties either to resume or to desist from a certain action.

**Inpatriates**

Traditional term used to describe employees brought in from another country to work in the headquarters country for a specified period.

**Inside games**

Union efforts to convince employees to impede or to disrupt production – for example, by slowing the work pace.

**Insourcing**

(1) Contracting a function out to another entity that manages and performs the function on-site; (2) transferring a previously outsourced function back in-house; or (3) the hiring of local workers by foreign companies operating subsidiaries locally.

**Instructional System Design (ISD)**

A systems approach that affords us a method to determine the who, what, when, where, why, and how of training.

**Instrumentality**

The perceived relationship between successful performance and obtaining the reward.

**Insubordination**

Willful disregard or disobedience of the boss's authority or legitimate orders.

**Integrative bargaining**

Takes place when there is more than one issue to be resolved; focuses on creative solutions to conflicts that reconcile parties' interests and result in mutual benefit.

**Intellectual property**

Creations of the mind such as inventions, literary and artistic works, symbols, names, images, and designs used in commerce; as much an asset as is physical property.

**Interest inventory**

A personal development and selection device that compares the person's current interests with those of others now in various occupations to determine the preferred occupation for the individual.

**Interest-based bargaining (IBB)**

Form of negotiating where parties look for common ground and attempt to satisfy mutual interests through the bargaining process.

**Internal coaching**

Consists of ongoing meetings between supervisors and employees to discuss the employee's career goals.

**Internalequity**

Occurs when people feel that performance or job differences result in corresponding differences in pay rates.

**Internal Revenue Service (IRS), U.S.**

U.S. tax collection agency; administers the Internal Revenue Code enacted by Congress and treasury regulations.

**International assignee**

All-encompassing term used to describe anyone on an international assignment.

**International organization**

Type of organization that is beginning to export products or services to foreign countries; may open production facilities or service centers, but products/services, processes, and strategies are developed in the home country.

**International social security agreements**

Bilateral social security agreements that coordinate the U.S. Social Security program with the comparable programs of other countries; also known as totalization agreements.

**Interpretation**

Translation of the spoken word.

**Intrinsic rewards**

Meaningful work, good feedback on performance, autonomy, and other factors that lead to high levels of satisfaction in the job.

**Inventory**

To an operations department, an organization's major asset after physical buildings and equipment.

**Involuntary termination**

When employers decide to discharge employees for cause (e.g., poor performance, violations of employer policy).

**Job**

Collection of activities (tasks) and responsibilities that an employee is responsible to conduct.

**Job aid**

A set of instructions, diagrams, or similar methods available at the job site to guide workers.

**Job analysis**

Systematic study of jobs to determine what activities (tasks) and responsibilities they include, relative importance and relationship with other jobs, personal qualifications necessary for performance, and conditions under which work is performed.

**Job applicant**

According to EEO regulations, anyone who expresses an interest in employment, regardless of whether that person meets the employer's minimum qualifications for the job.

**Job bidding**

Internal recruiting method that allows employees to indicate an interest in a position before one becomes available.

**Job burnout**

Depletion of physical/mental resources caused by excessive striving to reach an unrealistic work-related goal.

**Job classification**

Evaluation method that groups jobs into a predetermined number of grades or classifications, each having a class description to use for job comparisons.

**Job competencies**

Behaviors, abilities, and attributes that can link individuals or teams to enhanced performance; the critical success factors needed to perform a given role in an organization.

**Job description**

Summarizes most important features of a job, including required tasks, knowledge, skills, abilities, responsibilities, and reporting structure.

**Job enlargement**

Broadening the scope of a job by expanding the number of different tasks to be performed.

**Job enrichment**

Increases the depth of a job by adding responsibility for planning, organizing, controlling, and evaluation.

**Job evaluation**

A systematic comparison done to determine the worth of one job relative to another.

**Job group analysis**

Part of affirmative action plan that lists all job titles that comprise each job group having similar content and responsibilities, wage rates, and opportunities for advancement.

**Job instruction training (JIT)**

Listing of each job's basic tasks, along with key points to provide step-by-step training for employees.

**Job posting**

Internal recruiting method that allows current employees the chance to respond to announcements of positions.

**Job ranking**

Evaluation method that establishes a hierarchy of jobs from lowest to highest based on overall importance to the organization.

**Job rotation**

Breaks the monotony of routine jobs by shifting people between comparable but different jobs.

**Job rotation**

A management training technique that involves moving a trainee from department to department to broaden his or her experience and identify strong and weak points.

**Job sharing**

Results when two part-time employees share one full-time job.

**Job specifications**

A list of a job's "human requirements;" that is, the requisite education, skills, personality, and so on – another product of a job analysis.

**Job valuation**

Determination of the value and price of a job to attract and retain employees in a competitive environment.

**Job-content-based job evaluation**

Type of evaluation in which the relative worth and pay opportunities of different jobs are based on an assessment of their content (e.g., responsibilities and requirements) and their relationships to other jobs within the organization.

**Job-related interview**

A series of job-related questions which focuses on relevant past job-related behaviors.

**Jobs for Veterans Act (JVA)**

Amendment to Vietnam Era Veterans Readjustment Assistance Act; deals with discrimination against certain veterans by the U.S. government and federal contractors.

**Johnson v. Santa Clara County Transportation Agency**

Court ruling that endorsed using gender as one factor in an employment decision if underrepresentation is shown and if the affirmative action plan is not a quota system.

**Joint employment**

Situation in which an organization shares joint responsibility and liability for their alternative workers with an alternative staffing supplier; also known as co-employment.

**Joint venture**

Situation in which two or more organizations form a new venture for a variety of purposes, including manufacturing, sales, marketing, and research and development.

**Judgmental forecasts**

Use of information from past and present to predict future conditions.

**Jurisdiction**

Authority of a legal body to administer justice within a certain geographical territory or subject matter.

**Jurisdiction shopping**

Situation in which a plaintiff sues in a jurisdiction more likely to be sympathetic to his or her claims; also known as forum shopping.

**Key performance indicators (KPIs)**

Metrics and measures an organization uses to assess and evaluate its performance.

**Kinesthetic learners**

People who learn best through a hands-on approach; also called tactile learners.

**Knowledge**

Level of learning characterized by ability to recall specific facts.

**Knowledge management (KM)**

Process of creating, acquiring, sharing, and managing knowledge to augment individual and organizational performance.

**Kolstad v. American Dental Association**

Case in which Supreme Court held that the availability of punitive damages depends on the motive of the discriminator rather than the nature of the conduct.

**Labor Law of the People's Republic of China**

Law that sets forth many general terms for employment in the PRC, including requirements for working time, minimum age, and wages.

**Labor union**

Group of workers who coordinate their activities to achieve common goals (e.g., better wages, hours, and working conditions; job security; training) in their relationship with an employer or group of employers; also called trade union.

**Labor-Management Relations Act (LMRA)**

Act that provides balance of power between union and management by designating certain union activities as unfair labor practices; also known as Taft-Hartley Act.

**Labor-Management Reporting and Disclosure Act (LMRDA)**

Act that protects the rights of union members from corrupt or discriminatory labor unions; also known as Landrum-Griffin Act.

**Landrum-Griffin Act**

Act that protects the rights of union members from corrupt or discriminatory labor unions; also known as Labor-Management Reporting and Disclosure Act (LMRDA).

**Leadership**

Ability of an individual to influence a group or another individual toward the achievement of goals and results.

**Leadership development**

Training programs designed for management and executive employees to assist them in developing the leadership skills required to deal with a variety of situations.

**Leading**

The management function that involves the use of influence to motivate employees to achieve the organization's goals.

**Learning management system (LMS)**

System that holds course content information and has the capability of tracking and managing employee course registrations, career development, and other employee development activities.

**Learning objects (LOs)**

Learning elements that may be reused in a variety of contexts; examples include animated graphics, job aids, and print modules.

**Learning organization**

Organization characterized by a capability to adapt to changes in environment.

**Learning portal**

Internet or intranet site that provides access to an organization's database of information and resources regarding learning and training.

**Learning style**

Way people take in and process information and learn most easily and effectively.

**Leniency errors**

Errors that are the result of appraisers who don't want to give low scores.

**Liabilities**

Organization's debts and other financial obligations.

**Licensing**

Market entry strategy in which a firm in the host country is granted the rights to produce or sell a product.

**Lifelong learning**

Provides employees with continuing learning experiences over their tenure with the organization, with the aims of ensuring they can learn the skills they need to do their jobs.

**Lifetime maximum benefit**

Maximum dollar amount of covered medical expenses that a health-care plan will pay on behalf of any covered person during that person's lifetime.

**Lilly Ledbetter Fair Pay Act**

Act that creates a rolling time frame for filing wage discrimination claims and expands plaintiff field beyond employee who was discriminated against.

**Line authority**

Authority to direct the activities of people in his or her own department.

**line manager**

Authorized to direct the work of subordinates – they're always someone's boss. In addition, line managers oversee accomplishing the organization's basic goals.

**Line units**

Work groups that conduct the major business of an organization, such as the production or marketing functions.

**Line-of-sight**

Concept that states that employees must be able to influence the attainment of a goal and see a direct result of their efforts for incentive pay plans to be effective.

**Local nationals**

Employees hired for jobs in their own countries; also known as host-country nationals (HCNs).

**Local nationals (LNs)**

Employees working in their own country; also known as host-country nationals (HCNs).

**Local responsiveness (LR)**

Strategy that emphasizes adapting to the needs of local markets; allows subsidiaries to develop unique products, structures, and systems.

**Localization compensation strategies**

Compensation approach that provides an international assignee with the same level of compensation provided to local nationals working in a similar capacity, sometimes with certain adjustments.

**Lockout**

Refers to installing a lock, disconnect switch, or shutoff valve so equipment cannot be energized by mistake.

**Long-term assignment**

Traditional international (expatriate) assignment, usually lasting longer than one year and involving relocating the employee and his or her family to the host country.

**Long-term care insurance**

Insurance coverage that provides a daily monetary benefit to people who are chronically ill and who require living assistance either at home or in a residential facility.

**Long-term disability (LTD) coverage**

Replaces a portion of an employee's lost income after short-term disability coverage ends.

**Long-term objectives**

Specific results, accomplished in three to five years, that an organization seeks to achieve in pursuing its mission.

**Low-context culture**

Culture in which relationships tend to have less history; individuals know each other less well and don't share a common database of experience, so communication must be very explicit.

**Lump-sum compensation strategies**

Compensation approach that takes the form of payments made to an international assignee; provides the employee with additional flexibility in how he or she spends the additional compensation for international work.

**Lump-sum increase (LSI)**

One-time payment made to an employee; also called performance bonus.

**Machine Guarding standard**

OSHA standard that provides general requirements for all machinery to protect operator and other employees.

**Maintenance of membership**

Contract clause that states that an employee may or may not choose to join a union but once the employee joins, he/she must maintain membership for the duration of the contract.

**Maintenance stage**

Period between ages 45 and 65 when many people slide from the stabilization substage into an established position and focus on maintaining that place.

**Managed care**

General term for a medical plan that seeks to ensure that the treatments a person receives are medically necessary and provided in a cost-effective manner.

**Management**

Management comprises planning, organizing, staffing, leading or directing, and controlling an organization (a group of one or more people or entities) or effort for accomplishing a goal.

**Management assessment center**

A situation in which management candidates are asked to make decisions in hypothetical situations and are scored on their performance. It usually also involves testing and the use of management games.

**Management by objectives (MBO)**

Whereby the supervisor and subordinate jointly set goals for the latter and periodically assess progress toward those goals.

**Management contract**

Market entry strategy in which a foreign company is brought in to manage and run the

daily operations of the business; decisions about financing and ownership reside with the host-country owners.

### **Management development programs**

Any attempt to improve current or future management performance by imparting knowledge, changing attitudes, or increasing skills.

### **Management game**

A development technique in which teams of managers compete with one another by making computerized decisions regarding realistic but simulated companies.

### **Management process**

The five basic functions of management are: planning, organizing, staffing, leading, and controlling.

### **Manager**

The person responsible for accomplishing the organization's goals, and who does so by managing.

### **Managing diversity**

Means maximizing diversity's potential benefits (greater cultural awareness, and broader language skills, for instance) while minimizing the potential barriers (such as prejudices and bias) that can undermine the company's performance.

### **Mandatory bargaining**

Items in collective bargaining that a party must bargain over if they are introduced by the other party—for example, pay.

### **Mandatory subjects**

Collective bargaining items required by law and the NLRB.

### **Market-based evaluation**

Method like job evaluation systems that evaluates jobs based upon their market value.

### **Market-based job evaluation**

Type of evaluation that bases the relative worth and pay opportunities of different jobs on their value or "going rate" in the marketplace.

### **Marketing**

Process of planning, pricing, promoting, and distributing goods and services to satisfy organizational objectives.

### **Mass interview**

A panel interviews several candidates simultaneously.

**Material Safety Data Sheets (MSDS)**

Must be provided by manufacturers for every hazardous substance; employers must evaluate chemicals and inform employees of hazardous properties.

**Matrix structure**

Organizational structure that has ties to both product and geographic divisions and attempts to balance local needs with global efficiencies and economies of scale; employee participating in a project may have two bosses: one from the product side and one from the geographic side.

**Maturity curves**

Correlate pay with time spent in a professional field such as teaching or research.

**McDonnell Douglas Corp. v. Green**

Case that established criteria for disparate treatment.

**McKennon v. Nashville Banner Publishing Co.**

Case in which Supreme Court held that evidence of misconduct acquired after the decision to terminate cannot free an employer from liability, even if the misconduct would have justified terminating the employee.

**Mean**

Average score or value in a set of data.

**Median**

Middle point above and below which 50% of scores in a set of data lie.

**Mediation**

Method of nonbinding dispute resolution involving a third party who helps disputing parties reach a mutually agreeable decision; also known as conciliation.

**Medicare**

Social Security Administration program that provides medical care for people after age 65.

**Medicare carve-out**

Health plan where benefits are reduced for employees eligible for Medicare; Medicare becomes the primary provider.

**Medicare supplement**

Health plan that covers specific expenses not covered by Medicare.

**Mental Health Parity Act (MHPA)**

Act that addresses parity between mental health benefits and medical benefits.

**Mentoring**

Developmentally oriented relationship between two individuals.

**Merger**

Situation in which two entities are brought together; entities have approximately equal weight and value in the final organizational configuration.

**Mergers and acquisitions (M&A)**

Combination of two separate firms either by their joining together as relative equals (merger) or by one acquiring the other (acquisition).

**Merit pay**

Situation where an individual's performance is the basis for either the amount or timing of pay increases; also called performance-based pay.

**Merit pay (merit raise)**

Any salary increase awarded to an employee based on his or her individual performance.

**Meritor Savings Bank v. Vinson**

Court ruling that first held that sexual harassment violates Title VII of the Civil Rights Act of 1964 regardless of whether it is quid pro quo or hostile environment harassment.

**Mid-term objectives**

Serve a purpose similar to short-term objectives but are completed in one to three years.

**Midcareer crisis substage**

Period during which people often make major reassessments of their progress relative to original ambitions and goals.

**Mine Safety and Health Act**

Established mandatory safety and health standards for underground and surface mines.

**Miniature job training**

Training candidates to perform several of the job's tasks, and then evaluating the candidates prior to hire.

**Minimum wage**

Minimum hourly amount, determined by Congress, that nonexempt employees can be paid.

**Minimum Wages Act, India**

Indian law that sets minimum rates of wages in certain types of employment.

**Mission statement**

A more specific and shorter-term statement which communicates for a company who they are, what they do, and where they are headed.

**Mixed motive case**

A discrimination allegation case in which the employer argues that the employment action taken was motivated by a non-discriminatory reason.

**Mobility premium**

Basic incentive provided by an employer to convince an employee to move to or from a country; also known as overseas premium.

**Mobility premiums**

Typically, lump-sum payments to reward employees for moving from one assignment to another.

**Mode**

Value that occurs most frequently in a set of data.

**Modified-duty program**

When an employer offers an employee a less-strenuous job until he or she is fit to return to their regular job; also known as early-return-to-work program.

**Money purchase plans**

Plans in which employers make mandatory payments (a fixed percentage of an eligible employee's compensation) to a retirement plan.

**Motivation**

Factors that initiate, direct, and sustain human behavior over time.

**Multidrug-resistant TB (MDR-TB)**

Form of tuberculosis that is resistant to current drug therapy.

**Multinational corporations (MNCs)**

Type of organization that is a decentralized portfolio of subsidiaries; operations in host countries are more autonomous, but key managers and decisions come from headquarters.

**Multinational enterprises (MNEs)**

Organizations with operations in multiple countries.

**Multinational pooling**

Strategy for sharing insurance risk among an organization's business units located in multiple countries; includes coverage for life insurance, disability insurance, and health insurance.

**Multiple linear regression**

Statistical method that can be used to project future demand; several variables are utilized.

**Musculoskeletal disorder (MSD)**

Disease caused by repetitive motion that affects muscles, nerves, tendons, ligaments, joints, cartilage, blood vessels, and spinal disks; also called cumulative trauma syndrome (CTS), cumulative trauma disorder (CTD), or repetitive stress injury (RSI).

**National emergency strikes**

Strikes that might "imperil the national health and safety."

**National Industrial Recovery Act**

Act that extended the policies of the Railway Labor Act to all interstate commerce organizations.

**National Institute for Occupational Safety and Health (NIOSH)**

Agency that provides health and safety information.

**National Labor Relations Act (NLRA)**

Act that protects the rights of employees to organize unhampered by management; also known as Wagner Act.

**National Labor Relations Board (NLRB)**

The agency created by the Wagner Act to investigate unfair labor practice charges and to provide for secret-ballot elections and majority rule in determining whether a firm's employees want a union.

**Needlestick Safety and Prevention Act**

Revision to Bloodborne Pathogens standard that requires employers to minimize employees' exposure to blood through sharps injuries.

**Needs analysis**

Process used to identify, articulate, and document an organization's developmental needs; also called needs assessment.

**Needs assessment**

Process by which an organization's needs are identified to help the organization accomplish its objectives; also called needs analysis.

**Negative emphasis**

Type of interviewer bias that involves rejecting a candidate based on a small amount of negative information.

**Negligent hiring**

Hiring of an employee who the employer knew or should have known, based on a reasonable pre-hire investigation of the employee's background, posed a risk to others in the workplace.

**Negligent retention**

Retention of employees who engage in misconduct both during and after working hours.

**Negligent training**

A situation where an employer fails to train adequately, and the employee subsequently harms a third party.

**Neutrality agreement**

Contract between a union and an employer under which the employer agrees not to oppose a union's attempt to organize its workforce.

**NLRA**

This law banned certain types of unfair labor practices and provided for secret-ballot elections and majority rule for determining whether a firm's employees want to unionize.

**No-lockout clause**

Contract stipulation in which the company agrees not to lock out workers during a labor dispute for the life of the contract.

**No-strike clause**

Contract stipulation in which union agrees not to strike during the duration of the contract.

**Nominal group technique**

Group of individuals who meet face-to-face to forecast ideas and assumptions and prioritize issues.

**Nondirective interview**

Type of interview in which interviewer asks open questions and provides general direction but allows applicant to guide process.

**Nonduplication of benefits**

In health plans, requires a secondary carrier to reimburse only up to the level of reimbursement the primary carrier would have paid.

**Nonexempt employees**

Employees covered under FLSA regulations, including overtime pay requirements.

**Nonpunitive discipline**

Discipline without punishment.

**Nonqualified deferred compensation plan**

Income deferral benefit offered to a select group of management or highly compensated employees in the organization.

**Nontraditional workers**

Those who hold multiple jobs, or who are "contingent" or part-time workers, or people working in alternative work arrangements.

**Normal distribution**

Expected distribution given a random sampling across a large population.

**Norris-LaGuardia Act**

Act that guarantees workers' right to organize and restricts issuance of court injunctions against nonviolent union activity such as strikes, picketing, and boycotts.

**Objectives**

Results that participants will be able to perform at the end of a human resource development program.

**Occupational illness**

Any abnormal condition or disorder caused by exposure to environmental factors associated with employment.

**Occupational injury**

Injury that results from a work-related accident or exposure involving a single incident in the work environment.

**Occupational Noise Exposure (Hearing Conservation) standard**

OSHA standard that requires employers to reduce unsafe noise levels in the workplace.

**Occupational Safety and Health Act (OSHA)**

Act that established the first national policy for safety and health and continues to deliver standards that employers must meet to guarantee the health and safety of their employees.

**Occupational Safety and Health Review Commission (OSHRC)**

Group that rules on contested OSHA citations.

**OECD Guidelines for Multinational Enterprises**

Guidelines of an Organisation for Economic Co-operation and Development for transnational enterprises that include principles related to employment and industrial relations.

**OFCCP**

This office is responsible for implementing the executive orders and ensuring compliance of federal contractors.

**Offer letter**

Document that formally communicates the employment offer, making the hiring decision official.

**Offshoring**

Relocation of processes or functions from a "home" country to another country.

**Older Worker's Benefit Protection Act (OWBPA)**

Act that amended Age Discrimination in Employment Act to include all employee benefits; also provided terminated employees with time to consider group termination or retirement programs and consult an attorney.

**Omnibus Budget Reconciliation Act (OBRA)**

Act that reduced compensation limits in qualified retirement programs.

**On-call pay**

Pay that employees receive when they are on call but not actually working.

**On-call workers**

Employees who report to work only when needed.

**On-demand recruiting services (ODRS)**

These services provide short-term, specialized recruiting services usually paid for by the hour or project, rather than on a percentage fee.

**On-the-job training (OJT)**

Training provided to employees by managers and supervisors at the actual work site; utilizes demonstration and hands-on performance of job tasks to be accomplished.

**Onboarding**

On-boarding is the process of enabling an employee to become familiar with a new location; eases the entry into a new organization, a new job, and a new culture.

**Oncale v. Sundowner Offshore Service, Inc.**

Court ruling that same-gender harassment is actionable under Title VII.

**Open question**

Type of question that typically begins with what, where, why, when, or how.

**Open shop**

Perhaps the least attractive type of union security from the union's point of view, the workers decide whether to join the union; and those who join must pay dues.

**Open sourcing**

Way of eliciting innovative ideas from nonemployees or contractors; term derives from the software development realm, in which certain ideas and tools are freely shared in the programming community; practice has now been applied to product and service development.

**Organization**

People with formally assigned roles who work together to achieve the organization's goals.

**Organization chart**

A chart that shows the organization-wide distribution of work, with titles of each position and interconnecting lines that show who reports to and communicates with whom.

**Organization wide incentive plans**

Plans in which all or most employees can participate, and which generally tie the reward to some measure of company-wide performance.

**Organizational Citizenship Behavior (OCB)**

Extra work-related behaviors which go above and beyond the routine duties prescribed by their job descriptions or measured in formal evaluations, called contextual performance.

**Organizational culture**

The characteristic values, traditions, and behaviors a company's employees share.

**Organizational development (OD)**

Process of enhancing the effectiveness of an organization and the well-being of its members through planned interventions.

**Organizational display**

Part of an affirmative action plan that provides a graphical presentation of the organizational units, including their interrelationships.

**Organizational effectiveness**

The degree to which the organization achieves a stated goal.

**Organizational efficiency**

The use of minimal resources – raw materials, money and people – to produce a desired volume of output.

**Organizational exit**

Process of managing the way people leave an organization.

**Organizational feedback**

Presentation of data to stimulate discussion of problem areas, generate potential solutions, and stimulate motivation for change.

**Organizational learning**

Certain types of learning activities or processes that may occur at any one of several levels in an organization.

**Organizational picketing**

Type of picketing done to induce employees to accept the union as their representative.

**Organizational profile**

Depicts the staffing pattern of a facility to determine if barriers to equal employment opportunity exist within any organizational unit.

**Organizational structure**

Way in which an organization arranges its lines of authority and communication; the way its component parts are differentiated and linked.

**Organizational unit**

Any discrete component of an organization in which there is a level of supervision responsible and accountable for the selection, compensation, etc., of employees within the unit.

**Organizing**

The management function concerned with assigning tasks, grouping tasks into departments, and allocating resources to departments.

**Orientation**

Initial phase of employee training that covers job responsibilities and procedures, organizational goals and strategies, and company policies.

**OSHA's Form 300**

Log of Work-Related Injuries and Illnesses; used to classify work-related injuries and illnesses and to note the extent and severity of each case.

**OSHA's Form 300A**

Summary of Work-Related Injuries and Illnesses; shows the totals of work-related injuries and illnesses for the year in each category.

**OSHA's Form 301**

Injury and Illness Incident Report; supplemental record that covers the details of each occupational injury and illness.

**Other-than-serious violation**

Violation of an OSHA standard that would probably not cause serious physical harm or death.

**Out-of-pocket maximum**

Stated amount out of pocket the insured can pay for medical costs in a 12-month period before copayments end.

**Outplacement**

Systematic process by which a laid-off or terminated employee is counseled in the techniques of career self-appraisal and in securing a new job that is appropriate to his or her talents and needs.

**Outplacement counseling**

A formal process by which a terminated person is trained and counseled in the techniques of self-appraisal and securing a new position.

**Outsourcing**

When a company contracts with a third-party vendor for the supply of products, services, or component parts.

**Overseas premium**

Basic incentive provided by an employer to convince an employee to move to or from a country; also known as mobility premium.

**Overtime pay**

Required for nonexempt workers under FLSA at 1.5 times the regular rate of pay for hours over 40 in a workweek.

**Paid-time-off (PTO) bank**

Large bank of time comprising all an employee's paid time off (i.e., vacation, sick leave, and holidays) that the employee can use as he or she sees fit.

**Paired comparison method**

Ranking employees by making a chart of all possible pairs of the employees for each trait and indicating which is the better employee of the pair.

**Pandemic**

Emergence of a disease new to the population; the agent infects humans, causing serious illness, and spreads easily and sustainably.

**Panel interview**

Type of interview in which structured questions are spread across a group; individual who is most competent in the relevant area usually asks the question.

**Parachutes**

Clauses written into executive contracts that provide special payments to key executives who might lose their position or be otherwise disadvantaged if another company took control of the organization through a merger or acquisition; also known as golden parachutes.

**Parent country nationals (PCNs)**

Citizens of the organization's headquarters country who reside and work abroad with the intent of returning to the home country.

**Pareto chart**

Vertical bar graph on which bar height reflects frequency or impact of causes.

**Parochialism**

View of the world that does not recognize or consider the existence of other perspectives or ways of living and working.

**Patent**

Gives its owner the right to exclude others from making, using, or selling anything that embodies or uses an invention.

**Pattern bargaining**

Takes place when unions negotiate provisions covering wages and other benefits like

those already provided in other agreements existing within the industry or region; also known as parallel bargaining.

**Patterned interview**

Type of interview in which interviewer asks each applicant questions that are from the same knowledge, skill, or ability area; also called targeted interview.

**Pay compression**

Occurs when there is only a small difference in pay between employees regardless of their skills, experience, or seniority; also known as salary compression.

**Pay grade**

A pay grade is comprised of jobs of approximately equal difficulty.

**Pay grades**

Used to group jobs that have approximately the same relative internal worth and are paid at the same rate or within the same pay range.

**Pay range**

A series of steps or levels within a pay grade, usually based upon years of service.

**Pay ranges**

Set the upper and lower bounds of possible compensation for individuals whose jobs fall in a pay grade.

**Pay surveys**

Collect information on prevailing market rates and include topics such as incentive plans, overtime pay, base pay, and vacation and holiday practices.

**Payment of Gratuity Act, India**

Indian law that provides for the payment of a gratuity to employees working in factories, mines, oil fields, and certain other establishments; employees are entitled to receive the gratuity if they are terminated or resign and if they have completed at least five years of continuous service.

**Payment of Wages Act, India**

Indian law that regulates issues relating to time limits within which wages must be paid to employees and the deductions from the wages of the employee authorized by the law that can be made by the employer; ensures regular and prompt payment of wages and prevents the exploitation of a wage earner by prohibiting arbitrary fines and deductions from his or her wages.

**Payrolling**

When a company needing help identifies specific people and refers them to a staffing firm, which employs them and assigns them to work at the company.

**Pedagogy**

Study of the education of children.

**Pennsylvania State Police v. Suders**

Case in which Supreme Court ruled on the use of the affirmative defense in a constructive discharge claim for an employer whose supervisors are charged with harassment.

**Pension Benefits Guarantee Corporation (PBGC)**

Established under ERISA to ensure that pensions meet vesting obligations; also insures pensions should a plan terminate without sufficient funds to meet its vested obligations.

**Pension plans**

Plans that provide a fixed sum when employees reach a predetermined retirement age or when they can no longer work due to disability.

**Pension Protection Act (PPA)**

Act that changes the laws that affect defined benefit plans, defined contribution plans, individual retirement accounts, and other issues related to retirement planning.

**Percentile**

Specific point in a distribution of data that has a given percentage of cases below it.

**Performance analysis**

Verifying that there is a performance deficiency and determining whether that deficiency should be corrected through training or through some other means (such as transferring the employee).

**Performance appraisal**

Evaluating an employee's current and/or past performance relative to his or her performance standards.

**Performance bonus**

One-time payment made to an employee; also called a lump-sum increase (LSI).

**Performance management**

Process of maintaining or improving employee job performance using performance assessment tools, coaching, and counseling as well as providing continuous feedback.

**Performance standards**

Expectations of management translated into behaviors and results that employees can deliver.

**Performance-based pay**

Situation where an individual's performance is the basis for either the amount or timing of pay increases; also called merit pay.

**Performance-sharing plans**

Organization-wide incentive plans in which funds are made available for incentive awards based on predetermined criteria and standards.

**PERM (Program Electronic Review Management)**

Streamlined process for obtaining labor certification for foreign nationals seeking permanent residence through their employment.

**Permissive subjects**

Collective bargaining items that may be bargained but are not obligatory; also called voluntary or nonmandatory subjects.

**Perquisites**

Compensation provided on an individual basis in the form of goods or services (e.g., automobiles and club memberships).

**Person-based pay**

Pay systems in which employee characteristics, rather than the job, determine pay.

**Personal Information Protection and Electronic Documents Act (PIPEDA), Canada**

Canadian law that regulates the management of personal information in the federal sector; requires that an organization obtain an individual's consent when they collect, use, or disclose the individual's personal information.

**Personal Protective Equipment standard**

OSHA standard that protects employees from environmental, process, chemical, mechanical, or radiological hazards capable of causing injury or impairment and sets criteria for acceptable equipment designs.

**Personality tests**

Tests that measure person's social interaction skills and patterns of behavior.

**Personnel replacement charts**

Company records showing present performance and promotability of inside candidates for the most important positions.

**Phantom stock arrangements**

Generally used when a company does not view ownership of real equity as desirable but seeks to create some of the incentives that go along with having participants feel aligned with the company's owners.

**Phased retirement**

Offers employees the opportunity to gradually reduce the number of hours they work before they are fully retired.

**Physician hospital organizations (PHOs)**

Consist of hospital and physician practices that merge into vertically integrated structures.

**Picketing**

Having employees carry signs announcing their concerns near the employer's place of business.

**Piecework**

A system of pay based on the number of items processed by each individual worker in a unit of time, such as items per hour or items per day.

**Pilot programs**

Human resource development programs offered initially in a controlled environment with a segment of the target audience.

**Placement goals**

Objectives or targets in an affirmative action plan that are set when the percentage of minorities or women in a job group is less than reasonably expected given their availability.

**Planning**

The management function concerned with defining goals for future organizational performance and deciding on the tasks and resources needed to attain them.

**Plateau curve**

Type of learning curve in which learning is fast at first but then flattens out with no apparent progress.

**Plateaued career**

Career state of employees who are no longer considered promotable.

**Point method**

The job evaluation method in which several compensable factors are identified and then the degree to which each of these factors is present on the job is determined.

**Point-factor method**

Most commonly used method of job evaluation; it involves using specific factors to evaluate job worth.

**Point-of-service (POS) organizations**

Combination of a PPO and an HMO; provide direct access to specialists.

**Policy**

Broad statement that reflects an organization's philosophy, objectives, or standards concerning a set of management or employee activities.

**Polycentric**

A conscious belief that only the host-country managers can ever really understand the culture and behavior of the host-country market.

**Polycentric staffing orientation**

Staffing orientation in which host-country nationals (HCNs) usually staff and manage the local subsidiary; HCNs do not usually get promoted to headquarters positions.

**Polygraph test**

Test that measures respiration, blood pressure, and perspiration while person is asked a series of questions; outcome is a diagnostic opinion about honesty.

**Population**

Group of persons or objects or a complete set of observations or measurements about which one wishes to draw conclusions.

**Portability**

Making it easier for employees who leave the firm prior to retirement to take their accumulated pension funds with them.

**Portal-to-Portal Act**

Act that defines what is included as hours worked and is therefore compensable and a factor in calculating overtime.

**Position analysis questionnaire (PAQ)**

A questionnaire used to collect quantifiable data concerning the duties and responsibilities of various jobs.

**Position replacement cards**

A card prepared for each position in a company to show possible replacement candidates and their qualifications.

**Positional negotiation**

Type of contract negotiation in which people lock themselves into positions and find it difficult to move away, parties lose sight of the underlying problems to be resolved, and emphasis is placed on winning the position.

**PRC Employment Contract Law**

Law in People's Republic of China that specifies the rights and obligations of the parties to employment contracts and protects worker rights and interests.

**Predictive validity**

Type of criterion-related validity; degree to which predictions made by a test are confirmed by the later behavior of test takers.

**Preexisting conditions**

Medical conditions that existed before a health-care policy is taken out.

**Preferential shop**

Union members get preference in hiring, but the employer can still hire union members.

**Preferred provider organization (PPO)**

Groups of health care providers that contract with employers' insurance companies, or third-party payers to provide medical care services at a reduced fee.

**Preferred provider organizations (PPOs)**

Formed by an insurance company, an employer, or a group of employers who negotiate discounted fees with networks of health-care providers; in return, the employers guarantee a certain volume of patients.

**Pregnancy Discrimination Act (PDA)**

An amendment to Title VII of the Civil Rights Act that prohibits sex discrimination based on "pregnancy, childbirth, or related medical conditions."

**Premium pay**

Extra pay for working holidays or vacation days.

**Premium sharing**

Situation in which employee pays a portion of the required monthly premium for health-care coverage.

**Premium-only plan (POP)**

Type of Section 125 plan that allows employees to pay for certain qualified benefits with pretax dollars.

**Premiums**

Payments in return for the achievement of specific, time-limited, targeted objectives; also known as incentives.

**Prescreening interview**

Type of interview that is useful when an organization has a high volume of applicants for a job and face-to-face interviews are needed to judge prequalification factors.

**Prima facie**

Latin term for "on first view" or "at first appearance."

**Primacy error**

Occurs when an appraiser gives more weight to an employee's earlier performance and discounts recent occurrences.

**Primary research**

Involves data that is gathered firsthand for a specific evaluation.

**Principled negotiation**

Type of contract negotiation based on four premises: 1) separate the people from the

problem, 2) focus on interests, not positions, 3) invent options for mutual gain, and 4) insist on objective criteria.

**Privacy Act**

Act that protects the employment records of federal government employees from disclosure without prior authorization.

**Private-letter rulings**

Rulings issued by the IRS to specific taxpayers or organizations that request an interpretation of the law.

**Procedural justice**

The fairness of the process.

**Procedure**

Detailed, step-by-step description of the customary method of handling an activity.

**Process chart**

A work flow chart that shows the flow of inputs to and outputs from a job.

**Process Safety Management standard**

OSHA standard aimed at preventing or minimizing the effect of catastrophic releases of toxic, reactive, flammable, or explosive chemicals.

**Process-flow analysis**

Diagram of the steps involved in a process.

**Process-flow analysis**

Diagram of the steps involved in a process.

**Product**

What an organization sells to make a profit.

**Product structure**

Organizational structure in which functional departments are grouped under major product divisions.

**Productivity-based pay**

Pay based on the quantity of work and outputs that can be accurately measured.

**Professional liability insurance**

Insurance that protects directors, officers, employees, and organizations against claims of negligence in the performance of professional services.

**Profit-sharing plans**

Plans that distribute a portion of an organization's profits to its employees.

**Program evaluation and review technique (PERT) chart**

Project management tool used to schedule, organize, and coordinate tasks within a project.

**Programmed learning**

A systematic method for teaching job skills involving presenting questions or facts, allowing the person to respond, and giving the learner immediate feedback on the accuracy of his or her answers.

**Progressive discipline**

Form of corrective discipline that implements increasingly severe penalties for employee.

**Progressive discipline**

System of increasingly severe penalties for employee discipline.

**Project**

Series of tasks and activities that has a stated goal and objectives, a schedule with defined start and end dates, and a budget that sets limits on the use of monetary and human resources.

**Project management**

Discipline of planning, organizing, and managing resources to bring about the successful completion of specific project goals and objectives.

**Project team**

Group of people who come together for a specific project.

**Promotion**

Techniques for communicating information about products to consumers.

**Promotions**

Advancements to positions of increased responsibility.

**Proprietary information**

Sensitive information owned by a company that gives the company certain competitive advantages.

**Prosecutorial Remedies and Other Tools to End the Exploitation of Children Today (PROTECT) Act, U.S.**

U.S. law that authorizes fines and/or imprisonment for U.S. citizens or residents who commit sexual offenses against minors in foreign countries abroad; applies to liaison with child prostitutes and prohibits possession and distribution of child pornography.

**Protected class**

Persons such as minorities and women protected by equal opportunity laws, including Title VII.

**Prudent person rule**

States that an ERISA plan fiduciary has legal and financial obligations not to take more risks when investing employee benefit program funds than a reasonably knowledgeable, prudent investor would under similar circumstances.

**Psychomotor tests**

Tests that require a candidate to demonstrate a minimum degree of strength, physical dexterity, and coordination in a specialized skill area.

**Public comment period**

Time allowed for the public to express its views and concerns regarding an action of a regulatory agency.

**Public domain**

Status of a work when copyright protection ends; in general, copyright protection covers the life of the author plus 70 years.

**Qualifications inventories**

Manual or computerized systematic records, listing employees' education, career and development interests, languages, special skills, and so on, to be used in forecasting inside candidates for promotion.

**Qualified deferred compensation plan**

Retirement benefit offered to all employees in the organization; provides tax advantages and is protected under the Employee Retirement Income Security Act.

**Qualified domestic relations orders (QDROs)**

Create or recognize the right of an alternative payee to receive all or a portion of the benefits under a retirement plan.

**Qualified individuals**

Under the ADA, those who can carry out the essential functions of the job.

**Qualifying event**

Under the Consolidated Omnibus Budget Reconciliation Act, an event, such as termination for reasons other than gross misconduct, that allows employees to continue their group health-care coverage for a specified period.

**Qualitative analysis**

Based on research that uses open-ended interviewing to explore and understand attitudes, opinions, feelings, and behavior.

**Quality of Hire**

Quality of Hire is the measure of how well a new person meets the performance needs of the job. The idea of measuring quality of hire before the actual yes/no decision is made

has a lot of intuitive appeal, especially if the post-hire measurement technique is essentially the same, and there's a high correlation between the two.

**Quantitative analysis**

Seeks to obtain easily quantifiable data on a limited number of measurement points.

**Quid pro quo harassment**

Type of sexual harassment that occurs when an employee is forced to choose between giving in to a superior's sexual demands and forfeiting an economic benefit such as a pay increase, a promotion, or continued employment.

**Quorum**

Number of members of an organization that must be present before official business may be conducted.

**Quota**

Involves hiring and promoting a fixed number of individuals based on race, gender, or other protected-class standards that must be met.

**Rabbi trust**

Grantor trust designed to segregate nonqualified deferred compensation benefits from an employer's general accounts.

**Railway Labor Act**

Act that originally provided railroad employees the right to organize and bargain collectively; now covers both railroad and airline employees.

**Range**

Distance between highest and lowest scores in a set of data.

**Ranking method**

The simplest method of job evaluation that involves ranking each job relative to all other jobs, usually based on overall difficulty.

**Ratio analysis**

A forecasting technique for determining future staff needs by using ratios between sales volume and number of employees needed.

**Realistic job preview (RJP)**

Part of the selection process that provides an applicant with honest and complete information about a job and the work environment.

**Reality shock**

Results of a period that may occur at the initial career entry when the new employee's high job expectations confront the reality of a boring, unchallenging job.

**Reasonable accommodation**

Under U.S. law, refers to modifying or adjusting a job application process, a work environment, or the circumstances under which a job is usually performed to enable a qualified individual with a disability to be considered for the job and perform its essential functions.

**Reasonable accommodation**

Modifying job application process, work environment, or circumstances under which job is performed to enable a qualified individual with a disability to be considered for the job and perform its essential functions.

**Reasonable and customary**

Reimbursement standard used by insurance companies to determine how much providers should be paid for their services.

**Recency error**

Error that occurs when an appraiser gives more weight to recent occurrences and discounts an employee's earlier performance during the appraisal period.

**Recognition**

When an employer recognizes a union as being entitled to conduct collective bargaining on behalf of workers in a particular bargaining unit.

**Recognitional picketing**

Picketing done to obtain an employer's recognition of a union as bargaining representative.

**Recommendations, ILO**

Nonbinding International Labour Organization guidelines designed to assist countries in the implementation of ratified ILO conventions.

**Recruiting yield pyramid**

Calculating and using the historical arithmetic relationships between recruitment leads and invitees, invitees and interviews, interviews and offers made, and offers made and offers accepted.

**Recruitment**

Process of encouraging candidates to apply for job openings.

**Red-circle rates**

Describe situations where employees' pay is above the range maximum.

**Redeployment**

Process of sending and supporting the employee on the next assignment.

**Regents of the University of California v. Bakke**

Court ruling that colleges and universities could legitimately consider race as a factor in the admissions process.

**Regio centric staffing orientation**

Regional approach to managing operations; communication and coordination are high within the region but not as high between the region and headquarters.

**Regression analysis**

Statistical method used to predict a variable from one or more predictor variables.

**Regulation**

Rule or order issued by a government agency; often has the force of law.

**Rehabilitation Act**

Act that prohibits discrimination based on physical or mental disabilities.

**Reliability**

The characteristic which refers to the consistency of scores obtained by the same person when retested with the identical or equivalent tests.

**Relocation**

Process of moving people throughout an organization.

**Remuneration surveys**

Surveys used to collect information on prevailing market compensation and benefit practices; allow organizations to recognize and relate their remuneration structures to global and local trends.

**Repatriate**

Term used to refer to employees when they return home from an international assignment.

**Repatriates**

Traditional term referring to employees who have returned home from an international assignment.

**Repatriation**

Process of reintegrating employees back into the home country after an international assignment; includes adjustment to the new job and readjustment to the home culture and conditions.

**Repeat violation**

Violation of an OSHA standard that is a repeat of a violation found under a previous inspection.

**Repetitive interview**

Type of interview in which interviewer asks every applicant the same questions; also called a structured interview.

**Replacement planning**

"Snapshot" assessment of the availability of qualified backup or replacements for individuals in critical positions in an organization.

**Reporting pay**

Pay provided to employees who report for work as scheduled but then find that no work is available.

**Request for proposal (RFP)**

Written request asking contractors to propose solutions and prices that fit customer's requirements.

**Reserved rights doctrine**

Grants management full authority and discretion over the items that are or could be covered unless the contract limits management's rights in a area.

**Resolution**

Legislative measure limited in effect to either the Congress or one of its chambers.

**Restricted policy**

Another test for adverse impact, involving demonstration that an employer's hiring practices exclude a protected group, whether intentionally or not.

**Resume**

Document prepared by job candidate (or professional hired by candidate) to highlight candidate's strengths and experience.

**Retaliatory discharge**

Result of an employer punishing an employee for engaging in activities protected by the law (e.g., filing a discrimination charge, opposing unlawful employer practices).

**Retention**

Ability to keep talented employees in an organization.

**Retirement Equity Act (REA)**

Act that provided certain legal protections for spousal beneficiaries of qualified retirement plans.

**Return on investment (ROI)**

Calculation that measures the economic return on a project or investment.

**Reusable learning objects (RLOs)**

Learning elements that may be reused in a variety of contexts; examples include animated graphics, job aids, and print modules.

**Revenue Act**

Act that added Sections 125 and 401(k) to the Tax Code.

**Revenue rulings**

Rulings published by the IRS as general guidelines to all taxpayers or organizations.

**Reverse cultural coaching**

Involves individuals in emerging markets who coach international assignees or other representatives of global organizations on the cultural aspects of a specific local market.

**Reverse discrimination**

Claim that, due to affirmative action quota systems, white males are discriminated against.

**Right to work**

A term used to describe state statutory or constitutional provisions banning the requirement of union management as a condition of employment.

**Risk management**

Use of insurance and other strategies to prevent or minimize an organization's exposure to liability in the event a loss or injury occurs.

**Risk management scorecard**

Tool used to make calculated judgments based on the probability that a circumstance will occur and the potential consequences.

**Risk management strategy**

Way in which an organization plans to address vulnerabilities it has identified by accepting, avoiding, or mitigating the risk.

**Role playing**

A training technique in which trainees act out the parts of people in a realistic management situation.

**Roth 401(k)/403(b) plans**

Plans that allow after-tax contributions to existing 401(k) or 403(b) plans.

**Roth IRA**

Account providing tax-free income growth; contributions are made with after-tax dollars.

**Rule of law**

Concept that stipulates that no individual is beyond the reach of the law and that

government exercises its authority only in accordance with written and publicly disclosed laws that are enforced through agreed procedures.

### **Rules on Employees' Annual Leave, PRC**

Rules on leave that are part of the People's Republic of China Labor Law.

### **S-shaped curve**

Type of learning curve in which learning occurs in a series of increasing or decreasing returns; usually seen when an employee is attempting to learn a difficult task that also requires specific insight.

### **Safety**

Freedom from hazard, risk, or injury.

### **Safety committees**

Composed of workers from different levels and departments who are involved in safety planning and programs.

### **Salary**

Uniform amount of money paid to a worker regardless of how many hours are worked.

### **Salary compression**

Occurs when there is only a small difference in pay between employees regardless of their skills, experience, or seniority; also known as pay compression.

### **Salary survey**

A survey aimed at determining prevailing wage rates. A good salary survey provides specific wage rates for specific jobs. Formal written questionnaire surveys are the most comprehensive, but telephone surveys and newspaper ads are also sources of information.

### **Sales**

Business function responsible for selling an organization's product to the marketplace.

### **Salting**

Process of using paid union organizers to infiltrate an organization and organize its workers.

### **Sample**

Portion of a population used to draw conclusions regarding an entire population.

### **Sandwich generation**

Portion of silent and baby boom generations that is simultaneously caring for their own children and one or more elderly family members.

### **Sarbanes-Oxley Act (SOX), U.S.**

U.S. law that covers issues such as (1) responsibility of boards and senior management to

provide accurate and complete financial reports and (2) conflict of interest by auditors and stock analysts; requires administrators of defined contribution plans to provide notice of covered blackout periods; it also provides whistleblower protection for employees.

### **Savings and thrift plan**

Plan where employees contribute a portion of their earnings to a fund; the employer usually matches this contribution in whole or in part.

### **Savings Incentive Match Plan for Employees (SIMPLE)**

Retirement plan by which employees can contribute each year to a 401(k) plan or IRA.

### **Scanlon plan**

An incentive plan developed in 1937 by Joseph Scanlon and designed to encourage cooperation, involvement, and sharing of benefits.

### **Scatter diagram**

Illustration that depicts possible relationships between two variables.

### **Scatter plot**

A graphical method used to help identify the relationship between two variables.

### **Scheduling**

To an operations department, the act of detailed planning; based upon incoming orders, order history, and forecasts of future demand.

### **Schengen Agreement**

Results in type of visa that allows a business visitor to stay for a total of 90 days per six-month period in all Schengen nations combined.

### **School Board of Nassau v. Arline**

Supreme Court ruling that persons with contagious diseases could be covered by the Rehabilitation Act of 1973.

### **School-to-work programs**

Allow organizations to partner with communities and schools to help develop the skilled workforce they will need for the future.

### **Scientific management**

A management approach that emphasizes improving work methods through observation and analysis.

### **Scientific method**

Research method in which certain factors (variables) are manipulated and the results are examined.

**Secondary boycotts**

Action directed at a primary party through action against some third party.

**Secondary research**

Uses data already gathered by others and reported in various sources.

**Section 125 benefit plans**

Written benefit plans maintained by the employer that allow employees to use pretax dollars to pay for certain qualified benefits.

**Securities and Exchange Act**

Act that regulated "insider trading."

**Security**

Physical/procedural measures used to protect people, property, and information in the workplace.

**Selection**

Process followed to interview and evaluate candidates to select those best qualified for a targeted position.

**Selection interview**

Interview designed to probe areas of interest to interviewer to determine how well a job candidate meets the needs of the organization.

**Self-directed team**

Group of people that works in a self-managing way; typically assume complete autonomy.

**Self-funded health-care plan**

Health-care plan in which the employer assumes the role of the insurance company and assumes some or all the risk.

**Seniority**

System that shows preference to employees with the longest service.

**Serious health condition**

As defined in DOL regulations, a condition that involves employee incapacity for more than three calendar days plus "two visits to a health-care provider."

**Serious violation**

Violation of an OSHA standard that is likely to cause death or serious injury on the job.

**Service Contract Act**

Act that extended prevailing wage rate and benefit requirements to employers providing services under federal government contracts.

**Severance package**

Set of benefits provided to employees who are terminated for some reason other than cause.

**Severance pay**

A one-time payment some employers provide when terminating an employee.

**Sexual harassment**

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature.

**Shared services HR**

HR organizational alternative in which each country or unit, rather than having to develop its own expertise in every area, can supplement its resources by selecting what it needs from a menu of shared services.

**Sharia**

Body of Islamic religious law; affects a broad spectrum of behaviors: religious, commercial, and manners and morals.

**Sherman Anti-Trust Act**

Act that curbed concentrations of power that interfered with trade and reduced economic competition; directed at large monopolistic employers but applied by courts to labor unions.

**Shift pay**

Refers to supplemental pay paid to employees who work less-desirable hours, such as second or third shifts.

**Shop-floor participation**

As related to international labor relations, a participatory management approach in which workers can identify problems and help resolve them.

**Shops and Establishments Act, India**

Indian law that extends statutory obligations and rights to employers and employees in shops and establishments; defines rules of employment (e.g., hours of work, leave, holidays, overtime, rest intervals, termination of employment).

**Short-term assignments**

Assignment in which an employee goes abroad for a specified period (usually 3 to 12 months); the family may or may not accompany the employee.

**Short-term disability (STD) coverage**

Replaces a portion of lost income for a specified period for employees who are ill or have nonwork-related injuries.

**Short-term objectives**

Milestones that must be achieved, usually within six months to one year, to reach long-term objectives.

**Sick building syndrome (SBS)**

Situation in which building occupants experience acute health and comfort effects that appear to be linked to time spent in a building, but no specific illness or cause can be identified.

**Sick leave**

Specified period during which employees who are ill or have nonwork-related injuries receive their full salary.

**Simple linear regression**

Projection of future demand based on a past relationship; involves a single variable.

**Simplified Employee Pension (SEP)**

Tax-deferred account to which the self-employed and employees of very small businesses can contribute.

**Simulated training**

Training employees on special off-the-job equipment, as in airplane pilot training, whereby training costs and hazards can be reduced.

**Simulations**

Representations of real situations; give organizations the opportunity to speculate as to what would happen if certain courses of action were pursued.

**Single-rate pay**

Provides each incumbent of a job with the same rate of pay, regardless of performance or seniority; also known as flat-rate pay.

**Situational interview**

Type of interview in which interviewer asks hypothetical questions designed to elicit stories and examples that demonstrate the applicant's skills and qualifications.

**Situational test**

Requires examinees to respond to situations representative of the job.

**Six Sigma**

Disciplined, data-driven approach and methodology for eliminating defects. It simply means a measure of quality that strives for near perfection.

**Skill banks**

Computerized talent or skill inventories that can furnish a list of qualified people.

**Skill tracking systems**

Computerized talent or skill inventories that can furnish a list of qualified people.

**Skill variety**

Extent to which a job requires a variety of different activities for successful completion.

**Skip-level interviews**

Practice in union-free organizations of encouraging managers to spend time with each employee two levels below them on an annual basis.

**Small Business Job Protection Act (SBJPA)**

Act that made changes to rules regarding the ability of tax-exempt organizations to institute retirement plans modeled after 401(k) and IRA accounts and to the definition of highly compensated employees.

**Smith v. Jackson, Mississippi**

Case in which Supreme Court held that Age Discrimination in Employment Act authorizes recovery on a disparate impact theory but with narrower scope than that provided under Title VII.

**Social Accountability 8000 (SA8000)**

Standard that addresses concerns about working conditions in factories around the world.

**Social capital**

Interaction among employees toward meeting objectives.

**Social charter**

As related to international labor relations, legislation to be implemented by European Union member states aimed at standardizing employment conditions/practices.

**Social networking sites**

Web-based services that allow individuals to (1) construct a public or semipublic profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system.

**Social Security**

Federal program that provides three types of benefits: retirement income at age 62 and thereafter; survivor's or death benefits payable to the employee's dependents regardless of age at time of death; and disability benefits payable to disabled employees and their dependents. These benefits are payable only if the employee is insured under the Social Security Act.

**Sourcing**

Precursor to actual recruitment; generates a pool of qualified applicants and identifies

individuals who may be potential employment suspects or referral points for other suspects.

**Span of control**

Refers to the number of individuals who report to a supervisor.

**Split payroll**

Allows an employee to draw a portion of his or her compensation in host currency and the remainder in home currency; pay is delivered to the location where it is spent in the correct currency.

**St. Mary's Honor Center v. Hicks**

Court ruling that Title VII plaintiff must show that discrimination was the real reason for an employer's actions.

**Stabilization substage**

Firm occupational goals are set, and the person does more explicit career planning.

**Staff authority**

Staff authority gives the manager the right to advise other managers or employees.

**Staff manager**

Assist and advise line managers in accomplishing the basic goals. HR managers are generally staff managers.

**Staff units**

Work groups that assist line units by providing specialized services, such as HR.

**Staffing**

Broadly defined, staffing is the process through which an organization ensures that it always has the proper number of employees with the appropriate skills in the right jobs at the right time to achieve the organization's objectives.

**Stakeholder concept**

Theory that proposes that any organization operates within a complex environment, in which it affects and is affected by a variety of forces or stakeholders, who all share in the value of the organization and its activities.

**Standard deviation**

Measure that indicates how much scores in a set of data are spread out around a mean or average.

**Standard hour plan**

A plan by which a worker is paid a basic hourly rate but is paid an extra percentage of his or her base rate for production exceeding the standard per hour or per day. Similar to piecework payment but based on a percent premium.

**Standard Occupational Classification (SOC)**

Classifies all workers into one of 23 major groups of jobs, which are subdivided into minor groups of jobs and detailed occupations.

**Standards**

For an operations department, provide the yardstick by which the amount and quality of output are measured.

**State (public) employment agencies**

Agencies that provide employee screening, testing, and referral at no cost to the employer.

**State plans**

Safety and health policies and procedures that states have adopted and that have been approved by OSHA.

**Stereotype**

Belief that an individual has the same characteristics, values, and ways of behaving as the culture, subculture, or group to which he or she belongs.

**Stereotyping**

Type of interviewer bias that involves forming generalized opinions about how people of a given gender, religion, or race appear, think, act, feel, or respond.

**Stock option**

Right to purchase shares of a company's stock at a predetermined price for a certain period.

**Stop-loss coverage**

Insurance policy that protects employers with partially self-funded insurance plans by limiting individual and group-wide claims.

**Straight piecework**

An incentive plan in which a person is paid a sum for each item he or she makes or sells, with a strict proportionality between results and rewards.

**Strategic alliance**

Market entry strategy that involves several companies loosely or tightly joined for a variety of purposes, including manufacturing, marketing, or sale; companies will collaborate and contribute resources (but not equity) toward achieving a defined goal.

**Strategic business management**

Processes and activities used to formulate HR objectives, practices, and policies.

**Strategic human resource management**

Formulating and executing HR systems – policies and activities – that produce the employee competencies and behaviors the company needs to achieve its strategic aims.

**Strategic management**

The process of identifying and executing the organization's mission, by matching the organization's capabilities with the demands of its environment.

**Strategic plan**

The company's plan for how it will match its internal strengths and weaknesses with external opportunities and threats to maintain competitive advantage.

**Strategic planning**

Process that helps an organization focus on how to succeed in the future by evaluating the organization's status, where it would like to be, and how to get there.

**Strategies**

Provide the direction that enables an organization to achieve its long-term objectives.

**Strategy**

Plan of action for accomplishing a goal or set of goals and objectives; details separate activities (tactics) that must be coordinated over time.

**Strategy map**

A diagram that summarizes the chain of major activities that contribute to a company's success.

**Stress**

Mental and physical condition that results from a real or perceived threat and the inability to remove it or cope with it.

**Stress interview**

Type of interview in which interviewer assumes an aggressive posture to see how a candidate responds to stressful situations.

**Strictness**

Error that occurs when an appraiser believes standards are too low and inflates the standards to make them meaningful.

**Strictness or Leniency**

The problem that occurs when a supervisor tends to rate all subordinates either high or low.

**Strike**

Refusal by employees to work.

**Structured interview**

Type of interview in which interviewer asks every applicant the same questions; also called a repetitive interview.

**Structured or directive interview**

An interview following a set sequence of questions.

**Structured sequential interview**

An interview in which the applicant is interviewed sequentially by several supervisors and each rate the applicant on a standard form.

**Structured situational interview**

A series of job-relevant questions with predetermined answers that interviewers ask of all applicants for the job.

**Subject matter expert (SME)**

Person who is well versed in the content of a human resource development program.

**Substance abuse tests**

Measures intended to ensure a drug-free workplace.

**Succession planning**

The process of ensuring a suitable supply of successors for current and future senior or key jobs.

**Sunset clause**

Identified time and ending point that should be identified in incentive pay plans.

**Supplemental unemployment benefits**

Provide for a guaranteed annual income in certain industries where employers must shut down to change machinery or due to reduced work. These benefits are paid by the company and supplement unemployment benefits.

**Supplemental pay benefits**

Benefits for time not worked such as unemployment insurance, vacation, and holiday pay and sick pay.

**Supplemental unemployment benefits (SUB)**

Benefits paid to unemployed workers beyond required government unemployment benefits.

**Supplemental wages**

Pay beyond base salary or wages such as bonuses and commissions.

**Supply chain**

Global network that delivers products and services from raw materials to end customers through an engineered flow of information, physical distribution, and cash.

**Supply chain management (SCM)**

Process of planning, implementing, and controlling operations, from acquisition of raw materials to customer delivery and support.

**SWOT analysis**

Type of analysis used to discover distinctive competencies an organization possesses that provide a strategic advantage and identify potential problem areas that must be addressed; looks at strengths, weaknesses, opportunities, and threats.

**Sympathy strike**

Strike by employees of a bargaining unit who refuse to cross picket lines made up of employees who are not members of their bargaining unit.

**Synchronous learning**

Type of e-learning in which participants interact together in real time.

**Synthesis**

Level of learning at which the learner can respond to new situations and determine trouble-shooting techniques and solutions.

**Taft-Hartley Act**

Act that provides balance of power between union and management by designating certain union activities as unfair labor practices; also known as Labor-Management Relations Act (LMRA).

**Tagout**

Signs or labels attached to equipment to warn others not to activate it.

**Talent management**

Implementation of integrated strategies to increase workplace productivity by developing improved processes for attracting, developing, retaining, and utilizing people with the required skills and aptitude to meet current and future business needs.

**Talent management**

Development and integration of HR processes that attract, develop, engage, and retain the knowledge, skills, and abilities of employees that will meet current and future business needs.

**Targeted interview**

Type of interview in which interviewer asks each applicant questions that are from the same knowledge, skill, or ability area; also called patterned interview.

**Task analysis**

A detailed study of a job to identify the skills required.

**Task force**

Temporary allocation of personnel and resources for the accomplishment of a specific objective.

**Task identity**

Extent to which a job requires a "whole," identifiable unit of work.

**Task significance**

Extent to which a job has a substantial impact on other people.

**Tax equalization**

Situation in which an organization takes over responsibility for employee taxes instead of paying the employee an allowance to cover an increase in taxes; assignee's salary is lowered by the amount of taxes he or she would normally pay in the home country; also known as tax balancing.

**Tax Reform Act**

Act that made significant changes in employee benefit programs, especially retirement plans.

**Taxable wages**

All remuneration for services (including noncash benefits) that is taxable when paid.

**Taxman v. Board of Education of Piscataway**

Court ruling that nonremedial affirmative action plan cannot form the basis for deviating from the antidiscrimination mandate of Title VII.

**Taxpayer Relief Act (TRA)**

Act that created tax-advantaged savings mechanisms.

**Team**

Set of two or more people who are equally accountable for the accomplishment of a purpose and specific performance goals.

**Team interview**

Type of interview used in situations where the position relies heavily on team cooperation; supervisors, subordinates, and peers are usually part of the process.

**Team or group incentive**

A plan in which a production standard is set for a specific work group, and its members are paid incentives if the group exceeds the production standard.

**Telecommuting**

Working via computing and telecommunications equipment.

**Teratogens**

Products that affect a fetus but not the pregnant mother.

**Termination at will**

In the absence of a contract, either the employer or the employee can terminate at will the employment relationship.

**Termination interview**

The interview in which an employee is informed of the fact that he or she has been dismissed.

**Territorial rule**

Social security rule that stipulates that, in general, an employee will be subject to the taxes of the country in which the work is to be performed.

**Terrorism**

Use of force or violence against persons or property in violation of the criminal laws of the United States for purposes of intimidation, coercion, or ransom.

**Test validity**

The accuracy with which a test, interview, and so on measures what it purports to measure or fulfills the function it was designed to fill.

**The General Data Protection Regulation (GDPR)**

The General Data Protection Regulation (GDPR) is a legal framework that sets guidelines for the collection and processing of personal information from individuals who live in the European Union (EU). The European Parliament adopted the GDPR in April 2016, replacing an outdated data protection directive from 1995. It carries provisions that require businesses to protect the personal data and privacy of EU citizens for transactions that occur within EU member states. The GDPR also regulates the exportation of personal data outside the EU.

**Theory of constraints (TOC)**

Systems management philosophy that states that every organization is hindered by constraints that come from its internal policies.

**Third country nationals (TCNs)**

Employees who are citizens of countries other than where they work or where the organization's headquarters resides.

**Time-based differential pay**

Pay rates that are affected by when an employee works.

**Time-based step-rate pay**

System in which pay is based on longevity in the job and pay increases occur on a predetermined schedule.

**TIPS**

Acronym used by many labor management attorneys and consultants that covers most of the unfair labor practice pitfalls a supervisor can run into: Don't Threaten, Interrogate, Promise, or Spy.

**Title VII of Civil Rights Act of 1964, U.S.**

Cornerstone of U.S. federal antidiscrimination legislation; prohibits discrimination in employment and applies to hiring, transfers, promotions, compensation, access to training, and other employment-related decisions.

**Top hat plan**

Nonqualified deferred compensation plan that provides retirement benefits to select group of management or highly compensated employees.

**Total compensation**

Sum of all direct and indirect compensation provided to employees, including base salaries, incentives and bonuses, long-term incentive plans, benefits, and perquisites; also known as remuneration, total rewards, and compensation and benefits.

**Total quality management (TQM)**

Strategic, integrated management system for achieving customer satisfaction that involves all managers and employees and uses quantitative methods to continuously improve an organization's processes.

**Total rewards**

All forms of financial and nonfinancial returns that employees receive from their employers.

**Totalization agreements**

Bilateral social security agreements that coordinate the U.S. Social Security program with the comparable programs of other countries; also known as international social security agreements.

**Trade union**

Group of workers who coordinate their activities to achieve common goals (e.g., better wages, hours, and working conditions; job security; training) in their relationship with an employer or group of employers; also called labor union.

**Trade Union and Labour Relations (Consolidation) Act, U.K.**

U.K. law that guarantees an employee's freedom to join a trade union; contains provisions concerning the legal effect of collective agreements and requires employers to disclose to a recognized union certain information to enable the union to negotiate effectively.

**Trade Union Law of the People's Republic of China**

Law that stipulates legal status, rights and obligations, and function of trade unions throughout China.

**Trademark Act**

Act that provides federal protection for trademarks and service marks.

**Trainability**

Readiness to learn, combining students' level of ability and motivation with their perceptions of the work environment.

**Training**

The process of teaching new employees the basic skills they need to perform their jobs.

**Transactional leadership**

Leadership style that offers the promise of reward or the threat of discipline to motivate employees.

**Transfer of training**

Effective and continuing on-the-job application of the knowledge and skills gained during a learning experience.

**Transfer of Undertakings (TUPE) Regulations, U.K.**

U.K. regulations designed to protect the rights of employees in transfer situations; preserve the continuity of employment for employees with the same terms and conditions as their former job.

**Transfers**

Reassignments to similar (or higher) positions in other parts of the firm.

**Transformational leadership**

Leadership style that motivates employees by inspiring them to join in a mutually satisfying achievement.

**Translation**

Conversion of the written word from one language to another.

**Transnational corporation (TNC)**

Type of organization in which production or service processes become more globally dispersed and interconnected; strategy is developed globally, and innovation and best practices are freely exchanged among countries.

**Travel pay**

Typically paid to nonexempt workers for the time they spend traveling to or between work assignments.

**Treasury regulations (26 C.F.R.), U.S.**

U.S. tax regulations that provide the official interpretation of the Internal Revenue Code by the U.S. Department of the Treasury.

**Trend analysis**

Study of a firm's past employment needs over a period of years to predict future needs.

**Trend and ratio analyses**

Use of statistics to determine whether relationships exist between two variables.

**Trial substage**

Period that lasts from about ages 25 to 30 during which the person determines whether the chosen field is suitable; if not, changes may be attempted.

**Tuberculosis (TB)**

Airborne contagious disease caused by a bacterial infection.

**Turnkey operation**

Market entry strategy in which a company designs and builds a facility and then turns over operation to local management.

**Turnover**

Annualized formula that tracks number of separations and total number of workforce employees for each month.

**U.S. Equal Employment Opportunity Commission (EEOC)**

Federal agency responsible for enforcing antidiscrimination laws and handling charges.

**U.S. Patent Act**

Act that established the U.S. Patent and Trademark Office.

**Unclear standards**

An appraisal scale that is too open to interpretation.

**Unemployment Compensation Amendments (UCA)**

Imposed a mandatory 20% federal income tax withholding requirement on most qualified retirement plan proceeds that a recipient does not roll over into another qualified retirement plan or individual retirement account.

**Unemployment insurance**

Mandatory benefit program set up as part of the Social Security Act designed to provide employees with some income when they lose their jobs through no fault of their own.

**Unfair competition**

Deals with employment contracts that contain covenants not to compete after termination of employment relationship and with the use of secret, confidential, or proprietary information that the employee obtained while working for the former employer.

**Unfair labor practice (ULP)**

Violation of right under labor-relations statutes.

**Unfair labor practice strike**

A strike aimed at protesting illegal conduct by the employer.

**Uniform guidelines**

Guidelines issued by federal agencies charged with ensuring compliance with federal equal employment legislation explaining recommended employer procedures in detail.

**Uniform Guidelines on Employee Selection Procedures**

Procedural document designed to assist employers in complying with federal regulations prohibiting discrimination.

**Uniformed Services Employment and Reemployment Rights Act (USERRA)**

Act that protects employment, reemployment, and retention rights for persons who voluntarily or involuntarily serve or have served in the uniformed services.

**Union**

Formal association of employees that promotes the interests of its membership through collective action.

**Union salting**

Refers to a union-organizing tactic by which workers who are in fact employed full-time by a union as undercover organizers are hired by unwitting employers.

**Union security clauses**

Provisions in a collective bargaining agreement designed to protect the institutional authority or survival of the union (e.g., making union membership or payment of dues compulsory for all or some of the employees in a bargaining unit).

**Union shop**

A form of union security in which the company can hire nonunion people, but they must join the union after a prescribed period and pay dues. (If they do not, they can be fired.)

**United Steelworkers v. Weber**

Court ruling dealing with reverse discrimination charges; upheld that Title VII allows for voluntary, private, race-conscious programs aimed at eliminating racial imbalance in traditionally segregated job categories.

**Unsafe acts**

Incidents that result from unsafe behavior on the part of the employee, such as operating equipment at high speeds.

**Unsafe conditions**

Mechanical or physical hazards that may lead to injury, such as defective equipment or improper lighting.

**Unstructured or nondirective interview**

An unstructured conversational-style interview. The interviewer pursues points of interest as they come up in response to questions.

**Unstructured sequential interview**

An interview in which each interviewer forms an independent opinion after asking different questions.

**Unweighted average**

Raw average of data that gives equal weight to all factors with no regard to individual factors such as the number of incumbents or companies.

**USA PATRIOT Act**

Act that gives federal officials greater authority to take measures to combat terrorism.

**User interface**

Graphic and software program structure that enables information to be passed between a human user and the hardware or software components of a computer system.

**Utilization review**

Audit of health-care use and charges to identify which benefits are used and to make certain that care is necessary, and costs are in line.

**Valence**

The perceived value a person attaches to the reward.

**Validity**

Ability of an instrument to measure what it is intended to measure.

**Value chain**

Identifying the primary activities that create value for customers and the related support activities.

**Values**

Principles, standards, and qualities an organization considers inherently worthwhile or desirable; describe what an organization considers to be important aspects of the way it does business.

**Variable pay**

Any plan that ties pay to productivity or profitability, usually as one-time lump payments.

**Vestibule training**

Offline, instructor-led training designed to bring a learner up to production standards before assuming online responsibilities.

**Vesting**

Provision that money placed in a pension fund cannot be forfeited for any reason.

**Veto**

Action of canceling or postponing a decision or bill.

**Vicarious liability**

Legal doctrine under which a party can be held liable for the wrongful actions of another party.

**Video-based simulation**

A test in which examinees respond to video simulation of realistic job situations.

**Vietnam Era Veterans Readjustment Assistance Act (VEVRAA)**

Act that prohibits discrimination against certain veterans by the U.S. government and federal contractors.

**Virtual classroom**

Enables multiple remote learners, using their PCs or laptops, to participate in live audio and visual discussions, communicate via written text, and learn via content such as PowerPoint slides.

**Virtual team**

Team in which the members do not share a common physical location or base of operation.

**Vision statement**

A general statement of the firm's intended direction and shows, in broad terms, "what we want to become."

**Visual learners**

People who learn best by relying on their sense of sight.

**Voc. Rehab. Act of 1973**

The act requiring certain federal contractors to take affirmative action for disabled persons.

**Voluntary bargaining items**

Items in collective bargaining over which bargaining is neither illegal nor mandatory—neither party can be compelled against its wishes to negotiate over those items.

**Voluntary deductions**

Payroll deductions selected by the employee such as charitable contributions.

**Voluntary protection program (VPP)**

Voluntary group of employers that promotes and recognizes effective safety and health programs.

**Vulnerabilities**

Security risk factors.

**Wage curve**

Shows the relationship between the value of the job and the average wage paid for this job.

**Wagner Act**

Act that protects the rights of employees to organize unhampered by management; also known as National Labor Relations Act (NLRA).

**Walsh-Healey Act**

Act that extended concept of prevailing wage to employers who manufacture or supply goods under government contracts and required time and a half.

**Walsh-Healey Public Contract Act**

A law enacted in 1936 that requires minimum wage and working conditions for employees working on any government contract amounting to more than \$10,000.

**Washington v. Davis**

Court ruling that dealt with job testing and discrimination.

**Webinar**

Type of Web conference in which a remote presenter speaks over a phone line (or via other methods) and visual information is presented to remote participants via their computers.

**Weighted average**

Average of data that takes other factors such as the number of incumbents into account.

**Weingarten rights**

Union employees' right to have a union representative or coworker present during an investigatory interview.

**Wellness programs**

Preventive health programs offered by employers designed to improve the health and physical well-being of employees both on and off the job.

**Wildcat strike**

An unauthorized strike occurring during the term of a contract.

**Wildcat strikes**

Work stoppages involving the primary employer-employee relationship that are neither sanctioned nor stimulated by the union and that violate a no-strike clause in the contract.

**Willful violation**

Violation of an OSHA standard that is considered intentional.

**Work councils**

As related to international labor relations, groups of workers and management

representatives charged with examining how to improve company performance, working conditions, job security, etc.

**Work made for hire**

Work created by an employee within the scope of employment or a work commissioned under contract.

**Work Opportunity Tax Credit (WOTC)**

Tax credit to encourage employers to hire people from targeted groups.

**Work rule**

Reflects management decisions regarding specific actions to be taken or avoided in each situation.

**Work samples**

Actual job tasks used in testing applicants' performance.

**Work sampling technique**

A testing method based on measuring performance on actual job tasks.

**Work sharing**

A temporary reduction in work hours by a group of employees during economic downturns to prevent layoffs.

**Work team**

Group of employees responsible for a given product.

**Work-related disability**

Physical condition (accident or illness) that is caused, aggravated, precipitated, or accelerated by work activity or the work environment.

**Work/life balance (WLB)**

Variety of benefit-related initiatives to help employees manage work, family, and personal life without extreme stress or negative impact.

**Worker Adjustment and Retraining Notification (WARN) Act**

Act that requires some employers to give a minimum of 60 days' notice if a plant is to close or if mass layoffs will occur.

**Workers' compensation**

State insurance program designed to protect workers in cases of work-related injuries or diseases.

**Workforce analysis**

List of job titles ranked from lowest- to highest-paid within an organizational unit.

**Workforce analytics**

Software products or tools that help an organization draw conclusions from its HR data quickly and efficiently.

**Workforce planning**

Process an organization uses to analyze its workforce and determine the steps it must take to prepare for future needs; involves forecasting the future composition of the workforce, identifying any gaps between current and future staff, deciding how to close these gaps, and determining how to best meet the needs through redeployment, training, recruiting, and outsourcing.

**Workmen's Compensation Act, India**

Indian law that compensates workers for industrial accidental/occupational diseases during employment that result in disablement or death.

**Workplace flexibility**

Arming employees with the information technology tools they need to get their jobs done wherever they are.

**Works Council**

A works council is a body that represents a company's workers for receiving information from and consulting with the company's management on a range of issues affecting employees.

**Workweek**

Any fixed, recurring period of 168 hours (7 days times 24 hours = 168 hours).

**Wrongful discharge**

An employee dismissal that does not comply with the law or does not comply with contractual arrangements either stated or implied.

**Yellow-dog contracts**

Contracts that force employees to agree not to join a union or participate in any union activity as a condition of employment.

**Yield ratios**

Ratios that can help quantify recruitment efforts.

**Zero-based budgeting**

Form of budgeting that requires that expenditures be justified for each new period.

**Zipper clause**

Contract stipulation in which both parties waive the right to demand bargaining on any matter not dealt with in the contract, whether that matter was contemplated when the contract was negotiated or signed