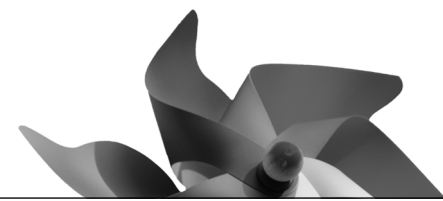


GLOSSARY



Note: Page numbers are provided following each definition.

- absenteeism** failure of an employee to report for work/duty irrespective of the reason. 123
- affirmative action** a response to the under-use of protected groups in various job categories in which a business attempts to attract and advance people from such groups because of their failure to do so in the past as a result of discrimination. 85
- agency shop agreement** requiring the employer to deduct an agreed agency fee from the wages of employees identified in the agreement who are not members of the trade union but are eligible for membership thereof. 420
- alcoholism** uncontrolled and compulsive drinking that interferes with normal living patterns but which can be treated successfully in many cases. 400
- arbitration** process whereby the parties agree to settle a dispute through the use of an independent third party. 436
- assessment centre** method used to evaluate an individual's potential through a collection of instruments and exercises. 192
- balance-sheet approach** compensation package that equalises cost differences between international assignments and those in the home country. 542
- behaviourally anchored rating scale (BARS)** performance measurement method that rates behaviour in terms of a scale showing specific statements of behaviour. 274
- broadbanding** compensation technique that collapses many pay grades into a few wide bands. 362
- burnout** a depletion of one's physical and mental resources that results from stress. 395
- cafeteria plan** allows employees some benefits from a 'menu' of benefits. 379
- capabilities audit** helps to gauge and ultimately boost the organisation's intangible value. 488
- career** the series of work-related positions occupied by a person throughout life. 246
- career counselling** discussing with individuals their personal and career interests and goals, their skills and career development objectives. 253
- career ladder** a flexible line of progression in an occupational field within a company. 249
- career planning** an ongoing process by which an individual sets career goals and develops a plan to achieve them. 246
- career plateau** a point in an individual's career where the probability of moving up the career ladder is very low. 253
- central tendency** incorrectly rating employees on each criterion at or near the centre or middle of the performance scale. 277
- closed shop agreement** requiring all employees covered by the agreement to be members of the trade union. 419
- coaching** training and feedback given to employees on a one-to-one basis by an immediate supervisor. 314
- collective bargaining** a process whereby representatives of management and union representatives negotiate a written agreement covering issues such as wages, hours of work and other terms and conditions of employment for a specific period of time. 441
- compensation** extrinsic and intrinsic rewards provided to employees for performing organisational tasks – consisting of a salary, incentives or bonuses and benefits, achieving personal goals, autonomy and more challenging job opportunities. 350
- competencies** basic characteristics that can be linked to exemplary performance by individuals or teams. 482
- competency-based rewards/pay** a system under which employees are paid on the basis of the number of jobs they can do, that is on the basis of their skills or depth of knowledge. 495
- competency-based selection** selection based on the observation of behaviours shown to distinguish successful employees. 492
- contributory plan** a retirement plan where contributions are paid in by both employees and employers. 375
- core competencies** integrated knowledge sets within an organisation that create high value and distinguish it from its competitors. 491
- critical-incident method** performance appraisal method where the rater keeps a written record of highly favourable and highly unfavourable employee work behaviours, these incidents are then used as a basis for evaluating the employee's performance. 271
- culture** the customs, beliefs and values of people in a particular country or racial/religious group. 206
- cumulative trauma disorders (CTDs)** muscle and skeletal injuries that occur when employees repetitively use the same muscles to perform tasks. 407
- Delphi technique** judgemental method of forecasting that uses a panel of experts to make independent estimates of future demand. Each person's forecast is then presented to the other members and the members then revise their forecasts as desired. The process continues until some consensus is reached. 111
- demotion** moving an employee to a lower level of duties and responsibilities as well as lower pay; results in reduced status and privileges. 237
- disability** a physical or mental impairment that substantially limits life activities. 74
- disciplinary action** applying a penalty against an employee who fails to meet organisational standards or comply with organisational rules. 453
- diversity** differences among people. 75
- distress** harmful stress characterised by a loss of feelings of security and adequacy. 389
- downsizing** planned reduction in the number of people employed by the organisation. 239
- dual-career couples** in which both the husband and wife follow their own careers and support each other. 254
- economic value added (EVA)** a company's net profit after the cost of capital is deducted. 370

- e-learning** providing training via the Internet or an organisational Intranet. 519
- employee assistance programme (EAP)** services provided by employers to help troubled employees deal with issues such as burnout, alcohol, drug abuse and other emotional disturbances. 396
- employee stock ownership plans (ESOPs)** an arrangement whereby employees receive shares in the organisation for which they work. 369
- ergonomics** an approach to designing equipment and systems within work environments to ensure easy and efficient use by employees. 145
- ethics** set of standards of conduct and moral judgements that help to determine right and wrong behaviour. 32
- eustress** positive or good stress that accompanies achievement and exhilaration. 389
- exit interview** an interview with a departing employee to identify reasons for leaving the company. 120
- expatriate or home country national** an employee working outside their home country for their company with a planned return. 535
- flexitime** the practice that permits employees to choose their own daily starting and quitting time provided that they work a set number of hours per day or week. 148
- forced distribution method** a performance appraisal method where the ratings of employees are placed along a normal or bell-shaped curve under the assumption that a relatively small portion of employees are truly outstanding, a small portion unsatisfactory and all other employees fall in between. 272
- functional job analysis (FJA)** a quantitative approach to job analysis that concentrates on the interactions among the work, the worker and the work organisation. 155
- gain-sharing** an organisation-wide incentive programme, also known as profit-sharing or performance-sharing where both the employees and the organisation share the financial gains according to a predetermined formula that reflects improved productivity and profitability. 369
- geocentrism** a strategy for the recruitment of employees for multinational companies by emphasising the unrestricted use of people from all nationalities. 535
- glass ceiling** company practices that have prevented women from advancing to executive-level jobs so-called because women can see the top jobs but they cannot actually reach them. 22
- golden parachute** a clause in the employment agreement that provides certain compensation if the executive's employment is terminated for certain reasons such as acquisition, merger or demotion. 373
- graphic rating scale** a performance appraisal approach whereby employees were traditionally rated on personal traits, more recently it has been on work behaviours and outcomes. 270
- green circle jobs** individuals who are currently paid below the minimum step of their pay grade are found in these jobs. 360
- grievance procedure** a formal channel of communication that permits employees to complain about matters affecting them and their work. 449
- halo effect** occurs when an appraiser rates an employee high (or low) on all items due to the performance in one area. 277
- host country nationals** employees who are natives of the host country where an international company operates. 535
- hot-stove rule** principle of discipline that can be compared with a hot stove giving a clear warning e.g. is effective immediately, is enforced consistently and applies to all employees in an impersonal and unbiased way. 458
- human resource (HR) planning** a process of systematically analysing and identifying the need for and availability of human resources to ensure that the required number of employees, with the required skills, are available when they are needed to enable the organisation to meet its objectives. 52
- human resources information system (HRIS)** an integrated computerised system designed to provide current and accurate data for purposes of planning, control and decision making. 40
- in-basket test** a simulation exercise used in an assessment centre which requires the participant to establish priorities when confronted with a number of issues such as memoranda, reports, telephone messages on their desk. 192
- intranet** an organisational network that operates over the Internet. 40
- job** a group of tasks and duties that must be performed if an organisation is to achieve its goals. 150
- job analysis** a systematic process of obtaining information about the content, context and the human requirements of a job. 150
- job description** a document containing a written summary of the tasks, duties and responsibilities of a job. 157
- job design** a process of organising tasks, duties and responsibilities into a productive unit of work to enhance organisational efficiency and employee job satisfaction. 137
- job enlargement** a change in the scope of a job by expanding the number of different tasks to be performed. 141
- job enrichment** restructuring the content and level of responsibility of a job by adding components such as planning, organising, controlling and evaluating to make it more challenging, meaningful and interesting. 141
- job evaluation** a systematic process of determining the relative worth of jobs within an organisation in order to establish which jobs should be paid more than others. 157
- job posting** a method of making employees aware of job vacancies through bulletin boards, in employee publications and on company intranets and giving them a specified period of time to apply for the jobs. 173
- job ranking** the simplest and oldest method of job evaluation by which jobs are placed in order to their relative worth. 355
- job specification** a written summary of the minimal knowledge, skills and abilities a worker needs to perform a job. 160
- labour market** the external supply pool (i.e. geographical area) from which organisations obtain their staff. 110
- leniency or strictness error** the tendency to rate employees either unusually high or unusually low. 277/278
- lockout** a management decision to keep employees out of the workplace when contract negotiations fail. 447

- management by objectives (MBO)** a process whereby the manager and employee mutually agree on specific goals/objectives and use these goals/objectives as the primary basis of motivation, evaluation and self-control. 218
- managing diversity** being aware of characteristics common to employees while also managing employees as individuals. 75
- Markov model** method of tracking the pattern of employee movement through various jobs. 111
- mediation** a process in which a neutral third party (called a mediator) enters and attempts to resolve a labour dispute. 448
- mentor** an experienced manager who coaches, advises and encourages an individual of lesser rank. 210/314
- merit pay** pay increase given to employees based on their performance appraisal ratings. 361
- multinational corporation (MNC) or multinational enterprise (MNE)** a company with independent business units operating outside the country in which it is headquartered. 531
- needs assessment** the process used to determine whether training is necessary by evaluating the organisation, individual employees and the employees' tasks. 304
- non-contributory pension plan** the employer pays all the contributions for the employees' pension. 375
- on-the-job training (OJT)** an informal approach to training whereby the employee is shown how to perform the job and then allowed to do it under the trainer's supervision. 311
- orientation** a formal process of familiarising new employees to their jobs, co-workers and the organisation. 206
- panel interview** an interview in which several interviewers meet to interview a single candidate at the same time. 195
- piecework** an incentive pay plan in which employees are paid according to the number of units produced. 364
- position analysis questionnaire (PAQ)** a standardised job analysis questionnaire containing 194 different tasks which by means of a five-point scale seeks to determine the degree to which the different tasks are involved in performing a particular job. 154
- progressive discipline** a formal discipline process that proceeds from an oral warning to a written warning to a suspension and finally dismissal. 458
- promotion** the movement of a person to a higher level in an organisation, usually accompanied with greater responsibilities and authority along with more pay and benefits. 235
- psychological contract** the unwritten expectations employees and employers have about the nature of their employment relationship. 221
- quid pro quo sexual harassment** a situation in which a supervisor offers job benefits in exchange for sexual favours. 91
- ranking method** also found in job evaluation, the ranking method in performance appraisal involves listing employees from the highest to lowest in performance. 271
- realistic job preview (RJP)** the process through which a job applicant is informed in an unbiased manner about all the aspects of the job, both desirable as well as undesirable facets. 196
- red-circled employee** an employee who is paid above the maximum range set for a job. 360
- re-engineering** review and radical redesign of business processes to achieve dramatic improvements in costs, quality, service and speed. 137
- reliability** the extent to which a test (for example selection test) provides consistent results when repeated measurements are made. 189
- repatriation** the return of employees to their home countries from an international assignment. 543
- sabbatical leave** paid time away from the job to develop and rejuvenate oneself. The period can be anything from three months to one year. 376
- selection ratio** the number of people hired for a particular job from a given group of candidates which is used in evaluating the usefulness of any predictor. 234
- seniority** privileged status attained by length of time spent on a particular job or within an organisation. 235
- sexual harassment** unwelcome sexual advances, requests for sexual favours and other verbal or physical conduct of a sexual nature in the working environment. 89
- socialisation** the introduction of new employees to company policies, practices as well as co-employees. Also known as orientation. 206
- strategic human resource management** a focus on the integration of HR policies with one another and with the overall strategy of the company. 6
- stress** the body's non-specific reaction (e.g. physical, mental or emotional) to any demand made on it. 388
- strike** a collective action in which union members refuse to work in order to put pressure on an employer during negotiations until certain demands or conditions are met. 446
- structured interview** an interview where the interviewer asks all applicants a predetermined set of questions. 195
- succession planning** the process of identifying, developing and tracking qualified individuals to assume managerial positions once they become vacant. 53
- telecommuting** using technology to do work at home, either full-time or part-time, that is normally done at the office. 505
- third country national** an employee of one country, working in a second country and employed by a company headquartered in a third country. 535
- transcendental meditation (TM)** a stress reduction technique in which an individual, seated comfortably, repeats a mantra or secret word provided by the instructor. 392
- transfer** the lateral movement of a worker to a position in a different area of the company for which the duties, responsibilities, status and remuneration are approximately equal to that of the previous job. 238
- turnover** any permanent loss of employees from an organisation that have to be replaced. 125
- unions** organisations formed for the purpose of representing their members' interests in dealing with employers. 416
- union shop steward** an employee elected by union

members who represents their interests in their relations with management. **423**

vestibule training or simulation training training that takes place away from the workplace on equipment that closely resembles the actual equipment used on the job. **315**

virtual organisation an organisational form in which teams of specialists come together through technology to work on a project and then disband when the project is finished. **502**

virtual team a team with widely dispersed members linked together through computer and telecommunications technology. **502/506**

virtual workplace of new organisational form based on the idea of working any time, anywhere in real space or in cyberspace. **502**

web-based training method of training where material is available on computer via either the Internet or company Intranet. **315**

wellness programmes programmes that focus on prevention to help employees build healthy lifestyles that will enable them to achieve their full potential. **399**