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Human Resources Glossary

A

Absenteeism:	Referred to as the habitual failure of employees to report for work when they are scheduled to work.
Accountability:	The responsibility placed on an individual or group for their own or others' actions, conduct, performance, projects, etc.
Accreditation:	A process of external quality review and certification by a recognized body that evaluates individuals, colleges, universities and educational programs to assure they are performing the functions that they claim to be performing in a competent manner.
Achievement Test:	A standardized testing instrument used to measure how much an individual has learned or what skills he or she has attained as a result of education, training or past experience.
Acquisition:	The process of acquiring control of another corporation by purchase or stock exchange.
Activities of daily living (ADL):	The personal care activities which are essential to an individual's everyday living, including eating, bathing, grooming, dressing, mobility and toileting.
Adverse action:	Any act by an employer that results in an individual or group of individuals being deprived of equal employment opportunities.

Adverse impact:	A substantially different rate of selection in hiring, promotion or other employment decision that works to the disadvantage of a race, sex or ethnic group.
Adverse selection:	An employer's selection practices or policies that result in discriminatory or unfavorable treatment toward an individual or individuals who are members of a protected group.
Affirmative action (AA):	Any program, policy or procedure that an employer implements in order to correct past discrimination and prevent current and future discrimination within the workplace.
Age Discrimination in Employment Act (ADEA) of 1967:	The ADEA protects workers age 40 and over by prohibiting discrimination against workers 40 and over in any employment or employment-related decision. The Act applies to most employers with 20 or more employees. One of the main provisions of the Act is that employers, with very few exceptions, can no longer force an employee to retire.
Americans with Disabilities Act (ADA) of 1990:	The ADA is a federal anti-discrimination law which prohibits private employers, state and local governments, employment agencies and labor unions from discriminating against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, job training and other terms, conditions and privileges of employment. This law (covering employers with 15 or more employees) is designed to remove barriers that prevent qualified individuals with disabilities from enjoying the same employment opportunities that are available to persons without disabilities. When an individual's disability creates a barrier to employment opportunities, the ADA requires employers to consider whether a reasonable accommodation could remove the barrier.
Alternation ranking:	A rating method used in job evaluation and performance evaluation whereby the rater is

asked to select the best and worst employees from a listing of all employees and then rank them accordingly.

Alternative dispute resolution (ADR):

A voluntary procedure used to resolve disputes or conflicts between individuals, groups or labor-management. This procedure utilizes the services of a neutral third party to facilitate discussion and assist the parties in reaching an agreement which is binding.

Alternative worksite:

Any location other than the employer's physical worksite where employees are allowed to perform their jobs.

Analytical thinking:

The ability to analyze facts, generate a comparison and draw correct inferences or conclusions from available information.

Anti-nepotism policy:

An employer's policy that restricts the employment of two or more family members at the same time.

Applicant files:

Application forms/resumes and other relevant items maintained by an employer and used during the selection process.

Applicant flow data:

Records of hiring, promotion and other related employment actions used for the purpose of monitoring selection and employment practices.

Applicant pool:

The sum total of all individuals who have applied for a position either by submitting a resume or application for employment which the employer uses to select candidates for employment.

Applicant tracking:

Any paper or computerized system that tracks the organization's data such as resumes/applications and internal job posting information.

Application service provider (ASP):	A third-party organization that delivers software applications and related services over the Internet allowing an organization to outsource some or all of its information technology needs.
Arbitration:	An alternative dispute resolution method that uses a neutral third party (i.e. arbitrator) to resolve individual, group or labor-management conflicts and issue a binding decision.
Attendance policy:	An employer's written standards regarding the requirement for employees to be on time and present at work during regularly scheduled work periods.
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.
Availability analysis:	The process of determining the number of qualified minorities and women in the relevant available workforce who possess or have the ability to acquire the required skills or qualifications for any available position within the organization.

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Baby boomers:	The term used to describe those individuals born between 1945 and 1970.
Baby busters:	The term used to describe those individuals born between 1961 and 1972.
Background check/investigation:	The process of verifying information supplied by applicants who are being considered for employment, including, but not limited to, contacting former employers, obtaining educational records and requesting criminal

or consumer credit reports.

Balanced scorecard:

A popular strategic management concept developed in the early 1990s by Drs. Robert Kaplan and David Norton. The balanced scorecard is a management and measurement system that enables organizations to clarify their vision and strategy and translate them into action. The goal of the balanced scorecard is to tie business performance to organizational strategy by measuring results in four areas: financial performance, customer knowledge, internal business processes, and learning and growth.

Behaviorally anchored rating scale (BARS):

An appraisal that requires raters to list important dimensions of a particular job and collect information regarding the critical behaviors that distinguish between successful and unsuccessful performance. These critical behaviors are then categorized and appointed a numerical value used as the basis for rating performance.

Bell-shaped curve:

The curve representing the normal distribution of a rating or test score.

Benchmarking:

The systematic process of comparing an organization's products, services and practices against those of competitor organizations or other industry leaders to determine what it is they do that allows them to achieve high levels of performance.

Benchmarks:

The standards used as a basis for comparison or measurement.

Bereavement leave:

An employer policy that provides a specific number of paid days off following the death of an employee's spouse, parent, child, grandparent or in-law so that the employee may attend funeral proceedings, etc.

Best practices:

Defined in a variety of ways, but typically refers to the practices of an organization

that enables them to achieve superior organizational performance results.

Bidding:	The practice of posting all job openings internally so that current employees may be allowed the opportunity to apply for vacant positions prior to the employer seeking qualified candidates through other external recruitment measures.
Blended workforce:	A workforce is comprised of permanent full-time, part-time, temporary employees and independent contractors.
Blind ad:	A job advertisement placed in a newspaper, trade journal/publication, magazine or Internet job board that contains no identifying information about the employer placing the ad.
Branding:	The process of identifying and differentiating an organization's products, processes or services from another organization by giving it a name, phrase or other mark.
Breach of contract:	Occurring when an individual who is a party to a contract or agreement does not uphold or violates the terms of the contract.
Broadbanding:	A pay structure that consolidates a large number of narrower pay grades into fewer broad bands with wider salary ranges.
Buddy system:	A form of employee orientation whereby a newly hired employee is assigned to another employee (typically within the same department) who shows the new employee the ropes, introduces him or her to coworkers, gives personal assistance and answers questions on an as-needed basis.
Budget:	A numerical summary of an organization's available resources and how those resources are to be allocated based on anticipated future expenditures for various items, such

as equipment, training and development programs, benefits, implementing new processes or services, etc.

Burden of proof:

The burden placed on an employer, as a result of a claim of discriminatory treatment, to provide a verifiable, legitimate and nondiscriminatory reason for any employment action taken which may have resulted in adverse treatment of a member(s) of a protected group.

Bureau of Labor Statistics (BLS):

The principal fact-finding agency for the federal government in the broad field of labor economics and statistics. The BLS is an independent national statistical agency that collects, processes, analyzes and disseminates essential statistical data to the American public, the U.S. Congress, other federal agencies, state and local governments, business and labor. BLS also serves as a statistical resource to the Department of Labor.

Burnout:

Physical or emotional exhaustion, lack of motivation or decreased morale resulting from an individual being exposed to excessive or prolonged stress and frustration caused by personal problems, work pressures, financial difficulties, etc.

Business continuity planning:

Broadly defined as a management process that seeks to identify potential threats and impacts to the organization and provide a strategic and operational framework for ensuring the organization is able to withstand any disruption, interruption or loss to normal business functions or operation.

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Call center:

The area in an organization responsible for screening, forwarding and logging large volumes of customer-related calls at the same time through the use of technology and other resources.

Cafeteria plan:	A benefit plan which allows employees to choose between one or more qualified tax-favored benefits and cash.
Career ladder:	The progression of jobs in an organization's specific occupational fields ranked from highest to lowest based on level of responsibility and pay.
Career mobility:	The propensity to make several career changes during an individual's lifetime instead of committing to a long-term career within a specific occupational field.
Career path:	The progression of jobs in an organization's specific occupational fields ranked from lowest to highest in the hierarchal structure.
Career planning:	The process of establishing career objectives and determining appropriate educational and developmental programs to further develop the skills required to achieve short- or long-term career objectives.
Career plateau:	Occurs when an employee has reached the highest position level he or she can possibly obtain within an organization and has no future prospect of being promoted due to a lack of skills, corporate restructuring or other factors.
Casual dress:	Refers to attire such as jeans, casual slacks, t-shirts, sport and polo shirts and other apparel used for leisure.
Centralization:	The process of consolidating all decision-making authority under one central group or location.
Change agent:	A term used to define an individual or group of individuals who directly or indirectly cause or accelerate social, cultural, or behavioral change.

Change management:	The systematic approach and application of knowledge, tools and resources to deal with change. Change management means defining and adopting corporate strategies, structures, procedures and technologies to deal with changes in external conditions and the business environment.
Child-labor law:	Provisions under FLSA are designed to protect the educational opportunities of youth and prohibit their employment in jobs that are detrimental to their health and safety. FLSA restricts the hours that youth under 16 years of age can work and lists hazardous occupations too dangerous for young workers to perform.
Civil Rights Act of 1964:	A federal statute enacted to further guarantee the constitutional rights of individuals and prevent employment discrimination based on race, color, sex, religion, national origin or age.
Civil Rights Act of 1991:	A federal statute that amended the Civil Rights Act of 1964 enacted to strengthen and improve federal civil rights laws by providing for damages in cases of intentional employment discrimination, clarifying provisions regarding disparate impact actions and for other purposes.
Class action suit:	A lawsuit filed by one party on behalf of themselves and other people in a group who share the same complaint.
Coaching:	A training method in which a more experienced or skilled individual provides an employee with advice and guidance intended to help him or her develop skills, improve performance and enhance the quality of his or her career.
Common law employment test:	Refers to the IRS's 20-question common law test which examines the level of control exercised over a worker by an employer in order to determine whether the individual is

an employee or an independent contractor.

Compa ratio:

The ratio of an actual pay rate to the midpoint for the respective pay grade used for comparing actual rates of pay with the midpoint for a particular pay grade within the salary structure.

Comparative rating:

A rating method that determines ratings by making comparisons between the individuals being rated.

Compensatory time-off plan:

The practice of giving employees paid time off that can be used in the future in lieu of paying them overtime for hours worked in excess of 40 per week. While an acceptable practice in the public sector, the FLSA places very strict limitations on the use of compensatory time off for private sector employers.

Competency-based pay:

A compensation system that recognizes employees for the depth, breadth and types of skills they obtain and apply in their work. Also known as skill-based and knowledge-based pay.

Compressed workweek:

An alternative scheduling method that allows employees to work a standard workweek over less than a five-day period in one week or a 10-day period in two weeks.

Condition of employment:

An organization's policies and work rules that employees are expected to abide by in order to remain continuously employed.

Confidentiality agreement:

A contract restricting an employee from disclosing confidential or proprietary information.

Conflict of interest:

Refers to situations when an individual has other competing financial, professional or personal obligations or interests that interfere with his or her ability to adequately perform required duties in a fair and

objective manner.

Consideration:

A benefit or other item of value given to an individual who is asked to sign an employment contract or agreement (i.e., release agreement) that is above and beyond what the individual would have been entitled to, had he or she not been asked to sign a contract or agreement.

Consolidated Omnibus Reconciliation Act (COBRA) of 1985:

Under the Consolidated Omnibus Budget Reconciliation Act of 1985, if an employee terminates employment with the company, the employee is entitled to continue participating in the company's group health plan for a prescribed period of time, usually 18 months. (In certain circumstances, such as an employee's divorce or death, the length of coverage period may be longer for qualified dependents). COBRA coverage is not extended to employees terminated for gross misconduct.

Consultant:

An individual who works independently to assist and advise client organizations with various organizational functions and responsibilities on a fee-for-service basis.

Consumer Credit Protection Act of 1968:

Prohibits employees from being terminated for garnishments for any one indebtedness. Although two or more do allow an employer to terminate, care should be exercised to prevent disparate impact if the employees being terminated are mostly women and minorities.

Consumer credit report:

The Fair Credit Reporting Act (FCRA) defines a consumer report as any communication of any information by a consumer reporting agency bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living, which is used, or expected to be used, or collected, in whole or in part, for the purpose of serving as a factor in establishing the consumer's eligibility for credit or insurance to be used primarily for personal, family or household

purposes or employment purposes.

Consumer Price Index (CPI):

An index of prices used to measure the change in the cost of basic goods and services in comparison with a fixed base period. Also called *cost-of-living index*.

Contingency planning:

The process of identifying an organization's critical information systems and business operations and developing and implementing plans to enable those systems and operations to resume following a disaster or other emergency situation.

Corporate culture:

The beliefs, values and practices adopted by an organization that directly influence employee conduct and behavior.

Corporate image:

The way in which an organization is viewed by clients, employees, vendors or the general public.

Corporate values:

The prescribed standards, behaviors, principles or concepts that an organization regards as highly important.

Cost-benefit analysis:

A means of measuring the costs associated with a specific program, project, activity or benefit compared with the total benefit or value derived.

Cost of living adjustment (COLA):

An annual adjustment in wages to offset a change in purchasing power, as measured by the Consumer Price Index. The Consumer Price Index is used rather than the Producer Price Index because the purpose is to offset inflation as experienced by the consumer, not the producer.

Cost-per-hire:

The direct and indirect costs that are calculated to measure the costs associated with filling a vacancy. Direct costs include, but are not limited to, advertising, employment agency fees, job fairs, employee referrals, credit and reference

checking costs, examination and testing costs during the selection process, signing bonuses, relocation costs, human resource overhead costs, college recruiting costs, Internet costs and training and communication costs. Indirect costs can include, but are also not limited to, lower productivity, costs of turnover, morale impacts, safety (if there is a higher number of accidents as a result of the vacancy), disruption of regular business functions, overtime (to compensate for the vacancy) and hiring to maintain production.

Crisis management:

A broad term that refers to an organizations pre-established activities and guidelines, for preparing and responding to significant catastrophic events or incidents (i.e., fire, earthquake, severe storms, workplace violence, kidnapping, bomb threats, acts of terrorism, etc.) in a safe and effective manner. A successful crisis management plan also incorporates other organizational programs such as , emergency response , disaster recovery, risk management, communications, business continuity, etc.

Crisis planning:

A formal written plan establishing specific measures or actions to be taken when responding to catastrophic events or tragedies (i.e., fire, earthquake, severe storms, workplace violence, kidnapping, bomb threats, acts of terrorism, etc.) in the workplace.

Critical tasks:

The job tasks or functions essential to the proper performance of a particular job.

Cross-functional teams:

Work teams comprised of individuals who represent the various organizational functions, departments or divisions.

Cross training:

The process of developing a multi skilled workforce by providing employees with training and development opportunities to ensure they have the skills necessary to perform various job functions within an

organization.

Cybersmear:

Using Web sites, listservs, chat rooms or bulletin boards to post insulting or defamatory statements regarding former employers.

Cultural differences:

The diverse behaviors, beliefs, customs, traditions, language and expressions that are characteristic to groups of people of a particular race, ethnicity or national origin.

Cultural integration:

The process of bringing people of different racial or ethnic backgrounds into equal association.

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Daily work records:

A daily log of job tasks being performed by individual employees over a certain period of time. Used often as a form of job analysis.

Damages:

The amounts awarded by a court to be paid by one party to another as a result of violating a contract or agreement.

Defamation:

Injury caused to an individual's character or reputation resulting from another individual(s) issuing false or malicious statements either verbally or in writing.

Deferred compensation:

Payment for services under any employer-sponsored plan or arrangement that allows an employee (for tax-related purposes) to defer income to the future.

Defined benefit plan:

A retirement plan that is not an individual account plan and pays participants a fixed periodic benefit or a lump-sum amount, calculated using specific formulas that include such items as age, earnings and length of service.

Defined contribution plan:	An individual account plan in which the employer contributes a specific amount of money into each year that is to be distributed among the accounts of each plan participant.
Delegation:	The process of assigning tasks or projects to subordinates and clearly dictating expected outcomes and timeframe for completion.
De minimis rule:	Described by IRS guidelines as any benefit, property or service provided to an employee that has so little value (taking into account how frequently similar benefits are provided to employees) that accounting for it would be unreasonable or administratively impracticable. Cash, no matter how little, is never excludable as a de minimis benefit, except for occasional meal money or transportation fare.
Demographics:	The physical characteristics of a population, such as age, sex, marital status, family size, education, geographic location and occupation.
Demotion:	A permanent reassignment to a position with a lower pay grade, skill requirement or level of responsibility than the employee's current position.
Department of Labor (DOL):	The federal agency responsible for administering and enforcing a large quantity of federal labor laws, including, but not limited to, overtime pay, child labor, wages and hours, workplace health and safety, FMLA, and various other employee rights.
Dependent care assistance plan:	An employer benefit plan that provides employees with dependent care assistance, such as paying for or providing qualified child and dependent care services necessary for them to seek or obtain gainful employment or remain gainfully employed.

Deposition:	The process of one party, accompanied by his or her legal counsel, answering questions under oath about pertinent facts regarding a case put forth by another party's legal counsel; conducted outside of a courtroom.
Descriptive scale:	Any rating scale that uses adjectives or phrases to determine performance ratings.
Development program:	Training or educational programs designed to stimulate an individual's professional growth by increasing his or her skills, knowledge or abilities.
Direct compensation:	All compensation (base salary and/or incentive pay) that is paid directly to an employee.
Direct costs:	The costs directly attributed to a particular products, programs or activities.
Disability:	Defined as a physical or mental impairment that substantially limits one or more of an individual's major life activities (i.e., walking, talking, standing, sitting, etc.)
Disability management:	The process of coordinating efforts between employees, management, physicians, rehabilitation service providers and insurance carriers to reduce the impact of work-related injuries or illnesses and assisting injured employees in continuing to successfully perform their jobs.
Disabled individual:	Under the ADA guidelines, an individual with a disability is a person who: has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment. Disability under Social Security rules are defined as an individual who is unable to perform work that he or she was previously able to perform and the individual cannot adjust to other work because of his or her medical

condition(s), which is expected to last for at least one year or to result in death.

Disaster recovery plan:

A set of guidelines and procedures to be used by an organization for the recovery of data lost due to severe forces of nature, such as earthquakes, fires, tornadoes, floods or hurricanes.

Discharge:

The termination of an employee based on previous disciplinary proceedings or for violating a major work rule or policy.

Disciplinary action:

The means of reprimanding employees who fail to abide by the organization's performance standards, policies or rules.

Disciplinary layoff:

A disciplinary measure in which employees are suspended without pay for a specified period of time due to violations of a company work rule or policy.

Disclosure:

The process of disclosing information to employees or the general public regarding any business practices or processes that contain the propensity to be hazardous to the environment or the health and safety of individuals.

Discretionary bonus:

A form of variable pay where an employer provides additional cash compensation to an employee for reasons that are not pursuant to any prior contract, agreement or promise that would lead the employee to expect the payments regularly.

Discrimination:

Any policy or action taken related to recruiting, hiring, promotion, pay or training practices that result in an unfair disadvantage to either an individual or group of individuals who are considered part of a protected class.

Diversity:

A broad definition of diversity ranges from personality and work style to all of the

visible dimensions of diversity such as race, age, ethnicity or gender, to secondary influences such as religion, socioeconomics and education, to work diversities such as management and union, functional level and classification or proximity/distance to headquarters.

Diversity training:

A fundamental component of a diversity initiative that represents the opportunity for an organization to inform and educate senior management and staff about diversity. The purpose of training is not only to increase awareness and understanding of workplace diversity, but also to develop concrete skills among staff that will facilitate enhanced productivity and communications among all employees.

Documentation:

Refers to written notices, records, forms, memos, letters and so forth used during disciplinary proceedings.

Domestic partner benefits:

Benefit plan provided by an employer that recognizes individuals who are of the same or opposite sex as spousal equivalents for purposes of health care coverage. Domestic partners are typically defined of as individuals that have lived together in the same residence for a specified period, are responsible for each other's financial welfare, are not blood relatives, are at least 18 years of age, are mentally competent, are life partners and would get legally married should the option become available, are registered as domestic partners if there is a local domestic partner registry, and are not legally married to anyone else.

Downgrading:

The practice of moving an employee to a job that has a lower pay grade or level of responsibility or skill.

Downsizing:

The process of reducing the employer's workforce through elimination of positions, management layers, processes, functions, etc.

Dress code:	An organizational policy or rule to be used by employees as a guideline as to what is considered appropriate attire for the workplace.
Drug abuse/substance abuse:	Habitual and excessive use of a drug for purposes other than what was medically intended.
Drug Free Workplace Act of 1988:	Requires some federal contractors and all federal grantees to agree that they will provide drug-free workplaces as a precondition of receiving a contract or grant from a federal agency. Although all covered contractors and grantees must maintain a drug-free workplace, the specific components necessary to meet the requirements of the Act vary based on whether the contractor or grantee is an individual or an organization.
Due diligence:	A critical component of mergers and acquisitions, it is the process of conducting an investigation and evaluation in order to examine the details of a particular investment or purchase by obtaining sufficient and accurate information or documents that may influence the outcome of the transaction.

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E-learning:	The delivery of formal and informal training and educational materials, processes and programs via the use of electronic media.
Early retirement plan:	A benefit plan offered by an organization providing incentives geared toward encouraging employees who are approaching retirement age to voluntarily retire prior to their normal retirement age.
Early return to work program:	Modified work programs designed to get employees who have been out of work due to injury or illness to return to the workforce

sooner by providing them with less strenuous alternative jobs until they are able to resume their full regular duties.

Electronic monitoring:

An employee surveillance practice where items such as telephone calls or e-mail/Internet usage are observed for general business, training or performance-related reasons.

Emergency planning:

The process of establishing specific measures or actions to be taken when responding to catastrophic events or tragedies (i.e., fire, earthquake, severe storms, workplace violence, kidnapping, bomb threats, acts of terrorism or other emergency situations) in the workplace.

Employee assistance program (EAP):

A work-based intervention program designed to identify and assist employees in resolving personal problems (i.e., marital, financial or emotional problems, family issues, substance/alcohol abuse) that may be adversely affecting the employee's performance.

Employee-driven idea system:

A type of suggestion program where employees are rewarded for being ultimately responsible for the management and implementation of any idea they submitted.

Employee leasing:

A staffing alternative whereby employers form a joint-employment relationship with a leasing agency or professional employer organization (PEO) that takes on the responsibility for various HR-related functions, such as labor law compliance, compensation and benefits administration, record-keeping, payroll and employment taxes.

Employee Polygraph Protection Act of 1988:

Prohibits most private employers from requiring employees or candidates for employment to submit to a lie detector test. The only time an employer may ask (but not require) an employee to take a polygraph test is in the conduct of an ongoing

investigation into theft, embezzlement or a similar economic loss; or if the employee had access to property that was lost and the employer has a reasonable suspicion that the employee was involved. Employees who take a polygraph test may not be discharged or suffer any other negative consequences solely on the basis of the test, without other supporting evidence. The Act strictly mandates how polygraph tests may be administered and how the results are used.

Employee Retirement Income Security Act (ERISA) of 1974:

ERISA sets requirements for the provision and administration of employee benefit plans. Employee benefit plans include health care benefits, profit sharing and pension plans, for example.

Employee referral program:

A recruiting strategy where current employees are rewarded for referring qualified candidates for employment.

Employee relations:

A broad term used to refer to the general management and planning of activities related to developing, maintaining and improving employee relationships by communicating with employees, processing grievances/disputes, etc.

Employee retention:

Organizational policies and practices designed to meet the diverse needs of employees and create an environment that encourages employees to remain employed.

Employee self-service:

A trend in human resource management that allows employees to handle many job-related tasks normally conducted by HR (such as benefits enrollment, updating personal information and accessing company information) through the use of a company's intranet, specialized kiosks or other Web-based applications.

Employment agency:

An organization that provides job placement assistance, either on a temporary or permanent basis, to individuals seeking

employment opportunities.

Employment-at-will:

A legal doctrine that states that an employment relationship may be terminated by the employer or employee at any time and for any or no reason.

Employment agreement/contract:

A formal, legally binding agreement between an employer and employee outlining terms of employment such as duration, compensation, benefits, etc.

Employment branding:

A combination of marketing, communication and technology used by an organization intended to give it greater visibility amongst a large population within a short timeframe.

Employment cost index:

Conducted annually as part of the Department of Labor's National Compensation Survey program, the Employment Cost Index measures the relative changes in wages, benefits and bonuses for a specific group of occupations.

Employment practices liability insurance (EPLI):

An insurance plan that provides employers with protection against claims of discrimination, wrongful termination, sexual harassment or other employment-related issues made by employees, former employees or potential employees.

Employment torts:

The grounds on which a lawsuit is based, such as wrongful discharge, negligence or invasion of privacy.

Employment visas:

An immigration-issued document that allows aliens to obtain temporary residency for the purpose of pursuing employment opportunities within the United States.

Equal employment opportunity (EEO):

A policy statement that equal consideration for a job is applicable to all individuals and that the employer does not discriminate based on race, color, religion, age, marital

status, national origin, disability or sex.

Equal Employment Opportunity Commission (EEOC):

The federal agency responsible for publishing guidelines, enforcing EEO laws and investigating complaints of job discrimination based on race, color, religion, sex (including pregnancy), national origin, age or disability.

Equal Pay Act of 1963:

A federal law prohibiting employers from discriminating between male employees and female employees in terms of pay when they are performing jobs that are essentially the same or of comparable worth.

Equivalent position:

According to section 825.215 of the FMLA regulations, an equivalent position is one that is virtually identical to the employee's former position in terms of pay, benefits and working conditions, including privileges, perquisites and status. It must involve the same or substantially similar duties and responsibilities, which must entail substantially equivalent skill, responsibility and authority.

Ergonomics:

The design of the equipment, furniture, machinery or tools used in the workplace that promotes safety, efficiency and productivity and reduces discomfort and fatigue.

Error of contrast:

An error occurring when raters assign ratings based on comparisons between individuals being rated instead of using previously established organizational standards.

Essential functions:

The primary job functions or tasks that an individual must be able to perform with or without a reasonable accommodation.

Ethics:

A philosophy principle concerned with opinions about appropriate and inappropriate moral conduct or behavior by an individual or social group.

Ethnic categories:	A grouping of individuals who are of the following decent: American Indian or Alaska Native; Asian; Black or African American; Native Hawaiian or Other Pacific Islander; and White.
Executive search firm:	An agency or organization used by employers to assist them with the selection and placement of candidates for senior-level managerial or professional positions.
Exempt employees:	Employees who meet one of the FLSA exemption tests and who are paid on a fixed salary basis and not entitled to overtime.
Exit interview:	An interview conducted at the time of an employee's resignation, used to identify the underlying factors behind an employee's decision to leave.
Expatriate:	An employee who is transferred to work abroad on a long-term job assignment.
Expedited arbitration:	A dispute resolution method used by the American Arbitration Association to resolve cases in accordance with a prescribed set of guidelines.
External benchmarking:	The process of comparing an organization's current policies and practices to that of a competitor organization(s) to determine current and future trends in areas of employment and business practice (i.e., compensation, benefits, HR practices).

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Facilitator:	A trainer who assists a group in learning or reaching a specific goal by directing and controlling the group process and allowing the group to work collectively to resolve problems and come up with solutions.
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Fact finding:	The process of utilizing an impartial third party, not employed by the organization, to examine all pertinent facts surrounding a complaint.
Factor comparison:	A job comparison process involving ranking each individual job by certain selected compensable factors to establish appropriate values to be used in determining pay rates.
Factor weight:	Used in the job evaluation process, it is the process of assigning a weight to compensable factors to determine their relative worth.
Fair Credit Reporting Act (FCRA) of 1969:	The FCRA requires employers that use credit reports and that deny employment on the basis of a credit report to so notify the applicant and to provide the name and address of the consumer reporting agency used.
Fair Labor Standards Act (FLSA) of 1938:	An act that covers public agencies and businesses engaged in interstate commerce or providing goods and services for commerce. The FLSA provides guidelines on employment status, child labor, minimum wage, overtime pay and record-keeping requirements. It determines which employees are exempt from the Act (not covered by it) and which are nonexempt (covered by the Act). It establishes wage and time requirements when minors can work. It sets the minimum wage that must be paid and mandates when overtime must be paid.
Fair representation:	This term means that a trade union, so long as it continues to be entitled to represent employees in a bargaining unit, may not act in a manner that is arbitrary, discriminatory or in bad faith in the representation of any employees in the unit.
Family and Medical Leave Act (FMLA) of	The Family and Medical Leave Act (FMLA) allows employees who have met minimum

1993:	service requirements (12 months employed by the company with 1,250 hours of service in the preceding 12 months) to take up to 12 weeks of unpaid leave per year for: (1) a serious health condition; (2) to care for a family member with a serious health condition; (3) the birth of a child; or (4) the placement of a child for adoption or foster care.
Family-friendly:	A policy or practice designed to help families spend more time together and/or enjoy a better quality of life.
Family status change:	Used to define changes to an individuals existing family standing. Typically found in health care benefit plans covered by section 125 of the Internal Revenue Code. IRC 125, does not allow individuals enrolled in a covered benefit plan to make election changes to their existing benefits coverage outside of the plans annual open enrollment period, unless a qualifying change in family or employment status, defined by the IRS as a "Qualified Family Status Change" has occurred (i.e. marriage, divorce, legal separation, death, birth/adoption, changes in employment status, cessation of dependent status, or a significant change in cost or reduction of benefits.).
Financial statement:	A report containing financial information derived from an organizational accounting record.
Fixed year:	A term used to describe an invariable year such as a calendar or fiscal year.
Flat organization:	An organization characterized by having only a few layers of management from top to bottom.
Flexible benefit plan:	A benefit program regulated under IRC 125 that offers employees a choice between permissible taxable benefits (including cash) and nontaxable benefits such as life and health insurance, vacations, retirement plans

and child/dependent care. Although a common core of benefits may be required, the employee may determine how his or her remaining benefits dollars are allocated for each type of benefit from the total amount offered by the employer.

Flexible scheduling:

An alternative work arrangement providing employees with greater flexibility in meeting their own personal needs by allowing them to work nontraditional schedules (i.e., compressed workweek, summer hours or flextime).

Flexible staffing:

The practice of utilizing temporary employees, independent contractors or part-time employees to fill vacancies instead of hiring a traditional full-time permanent employee workforce.

Flextime:

Variable work hours requiring employees to work a standard number of core hours within a specified period of time, allowing employees greater flexibility in their starting and ending times.

Focus group:

A small group of individuals who are interviewed through structured facilitator-led discussions in order to solicit opinions, thoughts and ideas about a particular subject or topic area.

Forced ranking:

A performance appraisal system where raters are asked to identify a certain percentage of employees who are top performers ready for advancement and those employees falling into the bottom percentage who must improve or leave the organization.

Forecasting:

A business analysis conducted in order to assess what future trends are likely to happen, especially in connection with a particular situation, function, practice or process that is likely to affect the organization's business operations.

Freedom of Information Act (FOIA) of 1966:

A federal law providing guidelines for access and disclosure of government documents and materials to the general public.

Fringe benefit:

Employment benefits granted to employees in addition to their current base salary or wages (i.e., cash, merchandise, services, health insurance, pension plans, holidays, paid vacations, etc.).

Full-time equivalent (FTE):

A value assigned to signify the number of full-time employees that could have been employed if the reported number of hours worked by part-time employees had been worked by full-time employees instead.

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Garnishment:

A court order requiring an employer to withhold a certain percentage from an employee's pay in order to settle a debt with a creditor.

Generalist:

An individual who possesses the capabilities to perform more than one diversified function, rather than specializing in or having responsibility for one specific function.

Generation I:

The term used to describe children born after 1994 who are growing up in the Internet age.

Generation X:

The term used to describe individuals born between 1965 and 1980.

Generation Y:

The term used to describe individuals born between 1985 and the present.

Geographical differential:

The variance in pay established for same or comparable jobs based on variations in labor and costs of living among other geographic

regions.

Glass ceiling:

Used to describe the invisible barrier keeping women from advancing into executive-level positions.

Glass Ceiling Act of 1991:

An act meant to raise public awareness regarding the underutilization of females and minorities in certain positions within the U.S. workforce and eliminate barriers preventing advancement.

Globalization:

The term used to describe increasingly mobile organizations that are performing their operations in foreign countries.

Global compensation:

Pay practices relating to employees who are working on assignments in international locations. A service premium and additional incentives are often included in the compensation package to offset differences in taxes and cost of living.

Global relocation:

The process of transferring an individual's residence from the United States to a foreign country for the purpose of completing an international job assignment.

Goal:

A statement outlining the long-term results, accomplishments or objectives an organization seeks to attain.

Goal setting:

The process of setting and assigning a set of specific and attainable goals to be met by an individual, group or organization.

Good faith effort:

The effort and action an organization puts forth to correct goals and specific problem areas.

Grapevine:

An informal communication channel used to transmit information or rumors from one person to another.

Green card:	A card issued in accordance with immigration laws to an alien granting him or her the right to become a lawful permanent resident of the United States, including the right to work legally.
Grievance:	A formal complaint or allegation by an employee or group of employees made to unfair treatment or violation of a union contract.
Grievance procedures:	The process and guidelines to be followed by employees, management or the union when resolving differences or conflicts.
Group interview:	An interviewing method where a prospective employee is interviewed by a small group of his or her peers.

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Halo/horn effect:	A form of interviewer bias, occurring when the interviewer rates or judges an individual based on the individual's positive or strongest traits, allowing their overall perception of the person to overshadow any negative traits. Referred to as the "halo effect" when it works in the candidate's favor or the "horn effect" when it works against the candidate.
Harassment:	Conduct or actions, based on race, religion, sex, national origin, age, disability, military membership or veteran status, severe or pervasive enough to create a hostile, abusive or intimidating work environment for a reasonable person. State laws may further define harassment to include additional protections, such as sexual orientation, marital status, transsexualism or cross-dressing, political affiliation, criminal record, prior psychiatric treatment, occupation, citizenship status, personal appearance, "matriculation," tobacco use outside work, Appalachian origin, receipt of public assistance or dishonorable discharge from

the military.

Head count:

Refers to average number of people employed directly by the company on a full-time and part-time basis.

Health Insurance Portability and Accountability Act (HIPAA) of 1996:

The Act was enacted to make health insurance more "portable" from one employer to another. The law mandates procedures for both new hires and for existing employees who are leaving the company. Employees who are new to a company can use evidence of previous health care coverage that is provided by their former employer to reduce or eliminate the new employer's preexisting condition requirements. Employees who are leaving a company must be provided a certificate of prior creditable health care coverage to use for this purpose. The law includes other provisions regarding restrictions on preexisting conditions, special enrollment rights and privacy rights and protections.

Health care flexible spending account (FSA):

A benefit plan designed to allow employees to set aside pre-tax dollars to pay for eligible medically related expenses, such as medical, vision or dental exams, copays and deductibles, as well as other out-of-pocket expenses.

Health savings accounts (HSA):

A tax-free account that can be used by employees to pay for qualified medical expenses. Contributions do not have to be spent the year they are deposited. Money in the account earns interest and accumulates tax free, so the funds can be used now and in the future. If an employee leaves the job, he or she can take the account with him or her and continue to use it to pay for qualified healthcare expenses. To be eligible for a Health Savings Account, an individual must be covered by a High Deductible Health Plan (HDHP), must not be covered by other health insurance (does not apply to specific injury insurance and accident, disability, dental care, vision care, long-term care), is not eligible for Medicare and can't be claimed as a dependent on someone else's tax

return.

Hidden disabilities:

Disabilities which are not of a visible nature, such as learning disorders, alcohol abuse, depression, etc.

Highly compensated employee:

For the purposes of retirement plans, a highly compensated employee is defined by the IRS as an employee who owns 5% or more of a company or receives compensation in excess of a predetermined amount. To qualify for tax advantages, retirement plans cannot be overly favorable to highly compensated employees. The definition of HCE is crucial in determining whether plan benefits are allocated to HCEs in a discriminatory manner compared to non-highly compensated employees.

Horizontal integration:

Also known as job rotation, it is a job enlargement method whereby employees are shifted between various comparable jobs in an effort to prevent boredom and boost morale.

Horizontal organization:

A flat organizational structure that consists of fewer hierarchal levels. Such organizational structures often rely on the use of cross-functional teams.

Hostile environment harassment:

Sexual or other discriminatory conduct that is so severe and pervasive that it interferes with an individual's ability to perform the job, creates an intimidating, offensive, threatening or humiliating work environment or causes a situation where a person's psychological well-being is adversely affected.

Human capital:

The collective knowledge, skills and abilities of an organization's employees.

Human resources auditing:

The process of assessing HR programs and services to determine effectiveness or efficiency.

Human resource information system (HRIS):

A computer database used to gather, store, maintain and retrieve relevant employee and HR-related information.

Human resource management:

The formal structure within an organization responsible for all the decisions, strategies, factors, principles, operations, practices, functions, activities and methods related to the management of people.

Human resource management system:

A software application combining various human resource functions, such as benefits, payroll, recruiting, training, etc., into one package.

Human resource metrics:

Measurements used to determine the value and effectiveness of HR strategies. Typically includes such items as cost per hire, turnover rates/costs, training and human capital ROI, labor /productivity rates and costs, benefit costs per employee, etc.

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Identity theft:

Regulated by federal and state statutes, identity theft occurs when a person fraudulently obtains and uses another person's personal information, such as name, Social Security number, credit card number, etc., without that person's authorization, consent or knowledge.

Illegal immigrant/alien:

An individual who is not a U.S. citizen and who has entered the United States without proper documentation and without complying with legally required U.S. immigration and naturalization procedures.

Immigration Reform and Control Act (IRCA) of 1986:

The Immigration Reform and Control Act (IRCA) prohibits the employment of individuals who are not legally authorized to work in the United States or in an employment classification that they are not authorized to fill. The IRCA requires employers to certify (using the I-9 form)

within three days of employment the identity and eligibility to work of all employees hired. IRCA also prohibits discrimination in employment-related matters on the basis of national origin or citizenship.

Impairment:

A physical or mental condition resulting from injury or illness, which diminishes an individual's faculties such as ability to hear, see, walk, talk, etc.

Impatriate:

Foreign nationals who are hired by U.S. employers under the H1-B visa program to fill highly skilled vacancies due to a labor shortage of skilled U.S. applicants.

Incentive pay:

Additional compensation used to motivate and reward employees for exceeding performance or productivity goals.

Incentive pay plan:

A plan providing additional compensation intended to serve as an incentive for excellent performance, exceeding productivity goals or standards, as well as other contributions in accordance with prescribed goals or standards.

Independent contractor:

A self-employed individual who performs a service for an employer under an express or implied agreement and who is not subject to the employer's control, or right to control, regarding the method and means in which the service is performed.

Indirect compensation:

Compensation that is not paid directly to an employee and is calculated in addition to base salary and incentive pay (i.e., health/dental/vision insurance, vacation, retirement benefits, educational benefits, relocation expenses, etc.).

Informed consent:

An individual's agreement to allow something to transpire subsequent to the individual having been informed of associated risks involved and alternatives.

Injunction:	A court-issued order requiring a party to either do or refrain from doing a certain act.
Inpatriate:	A foreign national transferred to the United States on a long-term assignment.
Insourcing:	Refers to the process of internally administering employee benefit plans or other programs, as opposed to utilizing the services of a third-party provider.
Intangible rewards:	Nonmonetary reinforcing, such as praise, given to an employee in recognition of a job well done or a particular achievement.
Intellectual property:	Property which is protected under federal law, including trade secrets, confidential or proprietary information, copyrightable or creative works, ideas, patents or inventions.
Intelligence quotient (IQ):	The measure of an individual's cognitive abilities, as measured by an intelligence test.
Intermittent/reduced schedule leave:	Under FMLA, intermittent and reduced schedule leave is used to describe leave that is not taken on a consecutive basis but rather taken in increments of days or hours.
Internal audit:	The process of conducting an in-house examination of one or more of an organization's processes, functions, programs, etc.
Internship:	A partnership between an organization and an educational institution, whereby students are hired by an employer for a specified period of time into a professional or technical position that correlates with their area of study in order to provide them with hands-on experience and prepare them for the workforce.

Interpersonal communications:	Refers to the process of communicating with another person or group to express feelings, thoughts or information by means of physical gestures or verbal exchanges.
Interpretive Guidelines on Sexual Harassment:	EEOC issued guidelines defining sexual harassment and the employer's responsibility for maintaining a workplace environment which is free from sexual harassment or intimidation.
Interview:	Used during the selection process, an interview is a face-to-face meeting with an individual or group, which involves asking questions to elicit information from the applicant to determine whether or not an applicant is suitable for a position of employment.

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Job analysis:	The systematic process of gathering and examining and interpreting data regarding the specific tasks comprising a job.
Job classification:	A method of evaluation used for job comparisons, which groups jobs into a prearranged number of grades, each having a class description and a specified pay range.
Job codes:	Identification numbers assigned to specific jobs or job tasks.
Job description:	A written description of a job which includes information regarding the general nature of the work to be performed, specific responsibilities and duties, and the employee characteristics required to perform the job.
Job evaluation:	Used for compensation planning purposes, it is the process of comparing a job with other jobs in an organization to determine an

appropriate pay rate for the job.

Job grade:

The group into which jobs of the same or similar worth are placed for determining appropriate rates of pay.

Job offer letter:

A formal written document that is provided by an employer to a candidate selected for employment which outlines information regarding the employment terms, such as the date employment is to commence, the position the individual is being hired to perform, the agreed upon salary, benefits to be provided, etc. The employer usually requires the candidate to sign and return the letter as a formal acceptance of employment.

Job posting:

The method of advertising for vacancies internally by posting a notice of the opening on a bulletin board, etc.

Job pricing:

The process of determining pay rates for jobs within the organization by analyzing industry or regional salary survey data in order to establish appropriate job pay rates.

Job ranking:

The process of ranking all jobs within the organization in order of importance or worth.

Job sharing:

The practice of two different employees performing the tasks of one full-time position.

Job title:

A specific name given to a particular job which is used to distinguish that job from other jobs within the organization.

Just cause:

A legal term used as the guiding principle utilized by employers whenever engaging in some form of corrective action or discipline for employees. Just cause is determined by examining the reasonableness of the discipline according to a set of guiding principles (i.e. was the employee adequately

forewarned that the particular behavior would result in discipline or termination; management conducted a fair and objective investigation of the facts prior to administering any discipline; rules, orders, and disciplinary action must be applied in a consistent and non-discriminatory manner; discipline must be reasonably related to the seriousness of the offense and the employee's past work record, etc.).

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Key employee:

Under FMLA statutes, a key employee is defined as a salaried employee who is among the highest-paid 10% of all workers employed by the employer within a 75-mile radius. Under ERISA, a key employee is defined as a plan participant who is a highly compensated officer or company owner.

Key performance indicators (KPI):

Key Performance Indicators are quantifiable, specific measures of an organization's performance in a certain area(s) of its business. . The purpose of KPI's is to provide the company with quantifiable measurements of things it has determined are important to the organizational or business long-term goals and critical success factors . Once uncovered and properly analyzed, KPI's can be used to understand and improve organizational performance and overall success. Also referred to as Key success indicators.

Knowledge assets:

The parts of an organization's intangible assets that relate specifically to knowledge, expertise, information, ideas, best practices, intellectual property and other capabilities.

Knowledge-based pay:

A salary differentiation system that bases compensation on an individual's education, experience, knowledge, skills or specialized training. Also referred to as skill-based pay.

Knowledge management:

The process of creating, acquiring, sharing and managing knowledge to augment

individual and organizational performance.

Knowledge mapping:

A process used to create a summation of the knowledge an organization will need in order to support its overall goals, objectives, strategies and missions.

Knowledge, skills and abilities (KSA's):

The attributes required to perform a job; generally demonstrated through qualifying experience, education or training.

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Labor law posting:

Federal and state regulations requiring employers to post in conspicuous places a variety of labor law posters, including, but not limited to, information regarding employee rights under EEO, FMLA, OSHA, ADA, FLSA, as well as other labor laws.

Layoff:

A temporary termination of employees, or the elimination of jobs, during periods of economic downturn or organizational restructuring.

Leadership:

The process, by which an individual determines direction, influences a group and directs the group toward a specific goal or organizational mission.

Leave sharing:

A leave program allowing employees to donate unused sick leave to a coworker who has exhausted all available sick leave and is out due to a long-term illness or injury.

Leave stacking:

Used to define the practice of scheduling leave under FMLA in such a manner that the employee's leave allowance for two consecutive calendar years is uninterrupted. Typically occurs when an employer uses the calendar-year method for determining the 12-month period under FMLA.

Libel:	Defaming or harming an individual's reputation in writing.
Litigation:	A legal proceeding occurring in a federal or state court of law to determine and enforce legal rights.
Living wage:	A wage rate that is sufficient for a worker and his or her family to exist comfortably.
Long-term care insurance:	An insurance plan that provides coverage for individuals with long-term illnesses or disabilities by paying in whole or in part for long-term medical and nonmedical care services.
Lost workdays:	Refers to the particular number of days an employee is absent from work due to an injury or illness or the number of days which the employee is on restricted duty.
Lump-sum payment:	A fixed negotiated payment that is not typically included in an employee's annual salary; often times given in lieu of pay increases.

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Mandatory Retirement Age Law of 1978:	A statute which prohibits (with the exception of exempted employees and positions) employers from having policies or practices that call for mandatory retirement of employees under the age of 70.
Mean Wage:	The average wage for a worker in a specified position or occupation, which is determined by adding together the total wages for all incumbents in a specific position or occupation and then dividing it by the total number of incumbents.
Median:	The middle value in a series of values

arranged in rank order.

Median wage: The margin between the highest paid 50 percent and the lowest paid 50 percent of workers in a specific position or occupation.

Mediation: A private negotiation and decision-making process in which a mediator assists individuals or groups in finding a resolution to a particular issue or conflict.

Medical savings account: A savings account funded by employees through pre-tax contributions; can be used to pay for copayments, deductibles or medical expenses not covered by a health insurance benefit plan.

Medicare: A health insurance program administered by the Social Security Administration which is broken into two distinct categories: 1) Medicare Part A helps with hospital costs; and 2) Medicare Part B requires a monthly fee and is used to pay medical costs for people 65 years of age and older, some disabled people under 65 years of age and people with end-stage renal disease (permanent kidney failure treated with dialysis or a transplant).

Mentoring: A career development method whereby less experienced employees are matched with more experienced colleagues for guidance either through formal or informal programs.

Merger: The joining of two or more different organizations under one common owner and management structure.

Metrics: A measure used to determine the effectiveness and value of implemented HR programs in increasing performance and profits.

Merit pay: A compensation system whereby base pay increases are determined by individual

performance.

Minimum qualifications:

The attributes of a job description which establishes a baseline for meeting the qualifications for a particular position.

Minimum wage:

The smallest hourly wage that an employee may be paid for all hours worked, as mandated by federal or state law.

Mission statement:

A statement illustrating what the company is, what the company does and where the company is headed.

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North American Free Trade Agreement (NAFTA):

An agreement reached by the United States, Canada and Mexico that instituted a schedule for the phasing out of tariffs and eliminated a variety of fees and other hindrances to encourage free trade between the three North American countries.

National Labor Relations Act (NLRA) of 1947:

The National Labor Relations Act (NLRA), passed in 1935, provides that all employees have the right to form, join and assist labor organizations and to bargain collectively with their employers.

Naturalization:

The process by which an alien is made a citizen of the United States of America and relinquishes citizenship to any other country.

Needs analysis:

A method of analyzing how employee skill deficits can be addressed through current or future training and professional development programs, as well as determining the types of training/development programs required and how to prioritize training/development.

Negligent hiring:

A claim made against an employer based on the premise of an employer's obligation to not hire an applicant the employer knew or should have known was unsuitable and likely

to behave inappropriately toward other employees.

Negligent referral:

Negligent referral is defined as the failure of an employer to disclose complete and factual information about former or current employee to another employer.

Nepotism:

Favoritism shown to relatives by individuals in a position of authority, such as managers or supervisors.

Netiquette:

Refers to Internet use rules of conduct, involving respecting others' privacy and not doing anything online that is offensive, annoying or frustrating to other people.

Newborns' and Mothers' Health Protection Act (NMHPA) of 1996:

Requires a minimum length of hospital confinement in conjunction with childbirth. This requirement applies to health plans and health insurance companies that provide hospital stays for childbirth in their policies. The law provides that coverage for a hospital stay following a normal delivery may not be limited to less than 48 hours for both the mother and newborn, and for a cesarean section not less than 96 hours.

Noncomplete agreement:

A contract restricting an employee from obtaining employment with a competitor within a specified industry, distance and/or time frame.

Nondisclosure agreement:

A contract restricting an employee from disclosing confidential or proprietary information.

Nondiscrimination:

The practice of not discriminating against members of disadvantaged or protected groups in hiring practices, policies, benefits or conditions of employment.

Nonexempt employee:

An employee who does not meet any one of the Fair Labor Standards Act exemption tests and is paid on an hourly basis and covered

by wage and hour laws regarding hours worked, overtime pay, etc.

Notice:

In wrongful discharge cases, this doctrine is used to determine whether or not an employer gave an employee adequate advanced notice of the potential consequences if a specific behavior or conduct was not improved upon.

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Objective:

A specification of what is to be accomplished, the timeframe in which it is to be accomplished and by whom.

Occupational illness/disease:

Defined by OSHA as "any abnormal condition or disorder, other than one resulting from an occupational injury, caused by exposure to factors associated with employment."

Occupational injury:

An injury sustained during the course of employment, which results in the employee requiring medical treatment other than minor first aid and which results in the employee being absent from work as a result of such injury for one or more work days or results in work restrictions.

Occupational Safety and Health Act (OSHA) of 1970:

A law setting forth standards that employers must comply with in order to provide working conditions that are safe and free from any health hazards for all employees. Additionally, the law also requires employers to provide employees with protection against workplace hazards that could result in illness, injury or death to an individual, as well as to communicate to employees the information on hazardous materials or chemicals they may be required to handle.

Occupational Safety and Health Administration:

A Department of Labor office responsible for overseeing and assuring the safety and health of America's workers by setting and enforcing standards; providing training, outreach and education; establishing

partnerships; and encouraging continual improvement in workplace safety and health.

Older Workers Benefit Protection Act (OWBPA) of 1990:

OWBPA amended the ADEA prohibiting all employers from age discrimination in employee benefits programs by either providing equal benefits for older and younger workers or by spending an equal amount on benefits for both groups. It also provides specifications on the requirements for ADEA waivers.

Ombudsperson:

A neutral third party that helps individuals or groups in conflict resolve disputes by mediating, coaching and facilitating communication between the parties and recommending an appropriate resolution.

On-call pay:

Additional compensation awarded to employees who are required to remain on call during off-duty hours.

On-call time:

Used to define periods of time when an employee is off duty but is required to remain on or close to the company premises or to respond to a call or page within a specified period of time, resulting in the employee being unable to effectively use such time to attend to his or her own personal activities.

On-the-job training:

Training provided to employees by managers and supervisors; conducted at the actual worksite utilizing demonstration and actual performance of job tasks to be accomplished.

Open enrollment period:

The period of time designated by the employer's health or other benefit plan when employees may enroll in new benefit plans or make changes to existing benefit plans.

Opinion letter:

A written document issued by government agencies used to provide a ruling on a particular issue.

Orientation:	The introduction of employees to their jobs, co-workers and the organization by providing them with information regarding such items as policies, procedures, company history, goals, culture and work rules.
Outplacement:	A benefit offered by the employer to displaced employees that may consist of such services as job counseling, training and job-finding assistance.
Outsourcing:	A contractual agreement between an employer and an external third-party provider whereby the employer transfers responsibility and management for certain HR, benefit or training-related functions or services to the external provider.
Overtime:	In accordance with the Fair Labor Standards Act (FLSA), it is the term used to define work that is performed in excess of 40 hours per week.

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Paid leave bank:	A benefit program granting employees a bank consisting of a specific number of paid days that can be used for absences related to sickness, vacation or personal reasons.
Paid time off (PTO):	A benefit program granting employees a specific number of vacation or personal days off which that are paid by the employer. The number of days is generally based on the employer's policy for accrual of paid time off.
Parental leave:	A benefit designed to provide employees with approved paid or unpaid time off following the birth or adoption of a child or to care for a dependent.
Pareto chart:	A bar graph used to rank in order of importance information such as causes or reasons for specific problems, so that

measures for process improvement can be established.

Partial disability:

An illness or injury that prevents an individual from performing one or more functions of his or her job.

Part-time employee:

An individual who continually works less than 40 hours per week (standard workweek hours are based on individual employer policy, therefore, a 40-hour workweek is only a guideline; this number could be higher or lower).

Paternity leave:

A benefit designed to provide fathers of newborn children with paid or unpaid time off from work following the birth of the child.

Payback agreement:

An agreement between an employer and an employee used primarily for relocated employees, stating that an employee will not voluntarily terminate his or her employment with the organization for a specified duration of time, effective from the date of relocation. Failure to abide by the terms of the agreement results in the employee being responsible for paying back a portion of any and all costs incurred by the employer on the employee's behalf. Also used by employers that pay for expensive job-related or professional development training or educational courses.

Pay compression:

A situation occurring when only a small difference in pay exists between employees, regardless of their knowledge, skills, abilities or experience. Oftentimes, it is the result of a market-rate for a given job surpassing the increases historically awarded to long-term employees.

Pay grades:

A method used to group jobs together that have approximately the same relative internal worth and are paid at the same rate.

Pay range:	Associated with pay grades, the range sets the upper and lower compensation boundaries for jobs within that range.
Pay structure:	A structure of job grades and pay ranges established within an organization. May be expressed as job grades or job evaluation points.
Peer appraisal:	A performance appraisal strategy whereby an employee is reviewed by his or her peers who have sufficient opportunity to examine the individual's job performance.
Pension plan:	An employer benefit plan funded through insurance, a trust, general assets or other separately maintained funds designed to provide employees with a monthly income benefit upon retirement.
Performance appraisal:	A periodic review and evaluation of an individual's job performance.
Performance-based pay:	A variable pay strategy that pays employees based on their individual performance and contributions, rather than the value of the job they are performing.
Performance improvement plan:	A plan implemented by a manager or supervisor that is designed to provide employees with constructive feedback, facilitate discussions between an employee and his or her supervisor regarding performance-related issues, and outline specific areas of performance requiring improvement.
Performance management:	The process of maintaining or improving employee job performance through the use of performance assessment tools, coaching and counseling as well as providing continuous feedback.

Performance monitoring:	The practice of monitoring employees while they perform their jobs through the use of surveillance cameras, telephone or computer monitoring.
Performance standards:	The tasks, functions or behavioral requirements established by the employer as goals to be accomplished by an employee.
Perquisites:	A form of incentives generally given to executive employees granting them certain privileges or special consideration, such as memberships in clubs, physical fitness programs, financial counseling, etc.
Personal days:	A benefit designed to provide employees with an allotment of paid days off in addition to holidays, sick days or vacation days, which they can use to attend to personal matters.
Phased retirement:	A work schedule arrangement that allows employees to gradually reduce their full-time hours over a period of time.
Plan administrator:	An individual or plan sponsor designated by the instrument under which the plan is operated to be responsible for the administration of pension and welfare benefit plans.
Policy:	A written statement that reflects the employer's standards and objectives relating to various employee activities and employment-related matters.
Position control:	A workforce planning tool that imposes certain rules or restrictions on the creation, and filling of positions as a means to manage and control the costs associated with any given position within the organization.
Positive discipline:	A disciplinary strategy geared toward reducing and improving an individual's

unfavorable behavior or conduct by rewarding positive behavior rather than focusing on and punishing negative behavior.

Post-tax contributions:

Contributions made to a benefit plan that are subject to applicable state or federal tax withholding requirements.

Pre-employment testing:

The practice of issuing tests to potential employees on a pre-employment basis in order to determine an applicant's suitability for a certain position. These tests may include, but are not limited to, drug and alcohol tests, medical examinations, skills tests, physical agility tests, honesty/integrity tests or personality tests.

Preexisting condition:

Any condition for which a person is currently receiving treatment, has been advised to receive treatment or for which a prudent person would seek treatment.

Pregnancy Discrimination Act (PDA) of 1978:

An amendment to Title VII of the Civil Rights Act of 1964 prohibiting discrimination on the basis of pregnancy, childbirth or related medical conditions, requiring pregnancy or related conditions to be treated in the same manner as any other temporary disability.

Pre-tax contributions:

Contributions made to a benefit plan that are exempt from all applicable state or federal tax withholding requirements.

Premium pay:

Additional compensation paid for work performed outside of regularly scheduled work hours.

Prescription drug benefits:

Typically a provision included in a group health plan designed to provide covered employees and their dependents with payment assistance for medically prescribed drugs.

Prevailing wage:	A rate of pay determined by the U.S. Department of Labor based upon the geographic area for a given class of labor and type of project.
Privacy:	Refers to information about an employee which he or she regards as personal or private (i.e., medical information, financial data, etc.) and the right of that individual to not have such information shared with others.
Private-letter ruling:	A formal document issued by the Internal Revenue Service announcing tax decisions or changes.
Probation:	Used as a form of discipline, it is a specified period of time during which an individual's performance or conduct is closely monitored.
Probationary period:	A specified period of time (typically 30-90 days) where a newly hired, promoted or transferred employee's job performance is evaluated. Primarily used by supervisors to closely observe an employee's work, help the employee adjust to the position and reject any employee whose performance does not meet required standards.
Process reengineering:	The process of improving business practices or methods by creating and implementing new processes or making changes to existing processes.
Profit sharing plan:	A qualified retirement plan established and maintained by an employer which enables employees and their beneficiaries to participate in the profits of the employer's business.
Progressive discipline:	A form of discipline whereby increasingly harsher penalties are awarded each time an employee is disciplined for the same or a different performance infraction or policy or work-rule violation. Generally, the sequence

is an oral warning to written warnings to suspension and finally termination.

Promotion:

Career advancement within an organization, which includes increased authority, level of responsibility, status and pay.

Protected class:

A legal term describing certain groups, such as women, older and disabled individuals, Vietnam-era veterans and minorities.

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Qualified domestic relations order (QDRO):

An order, decree, judgment or administrative notice (including a settlement agreement) that establishes the rights of another person (the "alternate payee") to benefits; issued by a domestic relations court or other court of competent jurisdiction or through an administrative process established under state law.

Qualified medical child support order (QMCSO):

An order, decree, judgment or administrative notice (including a settlement agreement) requiring health coverage for a child; issued by a domestic relations court or other court of competent jurisdiction or through an administrative process established under state law.

Qualified plan:

A defined benefit or defined contribution pension plan covered by ERISA and IRS regulations qualifying for certain tax advantages for both the employer and the participant.

Quality assurance:

Activities or programs whose purpose is to demonstrate and ensure that products and services meet specifications and are consistently of high quality.

Quality audit:

The process of examining the elements of a quality management system in order to evaluate how well they comply with quality

system specifications.

Quality control:

Activities or programs whose purpose is to ensure that all quality specifications for products or services are being met and are of consistently high quality.

Quality improvement:

Any system or process designed to enhance an organization's ability to meet quality requirements.

Quid pro quo:

Legal terminology essentially meaning "what for what" or "something for something." It is the concept of getting something of value in exchange for giving something of value.

Quid pro quo harassment:

Quid pro harassment involves expressed or implied demands for sexual favors in exchange for some benefit (a promotion, pay increase, etc.) or to avoid some detriment (termination, demotion, etc.) in the workplace. By definition, it can only be perpetrated by someone in a position of power or authority over another (i.e., manager or supervisor over a subordinate).

Quota system:

In affirmative action systems, it is a means of attempting to achieve workplace balance by hiring and/or promoting specified numbers or ratios of minorities or women in positions from which they have been excluded.

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Random testing:

Drug and alcohol tests administered by an employer that selects employees to be tested on a random basis.

Rank order:

A rating method where the performance of a group, process or product is arranged in a particular order, such as highest to lowest.

Reasonable accommodation:	Modifying or adjusting a job process or a work environment to better enable a qualified individual with a disability to be considered for or perform the essential functions of a job.
Reassignment:	Transferring individuals to alternative positions where their talents or skills may be best utilized to their own or the organization's benefit or where they are better able to perform the job in accordance with required standards.
Reciprocity:	A relationship between states or other taxing jurisdictions whereby privileges granted by one are returned by the other under a reciprocal agreement.
Reciprocal review:	An appraisal method where the subordinate and the manager are evaluated by each other based on agreed-upon performance criteria.
Recognition:	An acknowledgement of an employee's exceptional performance or achievements expressed in the form of praise, commendation or gratitude.
Recruitment:	The practice of soliciting and actively seeking applicants to fill recently vacated or newly created positions using a variety of methods (i.e., internal job postings, advertising in newspapers or electronic job boards/sites, utilizing search firms, or listing position with trade and professional associations, etc).
Reduction in force:	An involuntary separation of an employee or groups of employees due to economic pressures, lack of work, organizational changes or other reasons of business necessity that require a reduction in staff.
Reengineering:	The redesigning of business and work processes, policies or organizational

structure.

Reference checking:

The process of verifying information supplied by applicants on an application or resume.

Regression analysis:

A statistical measure used to discover relationships between variables such as performance ratings and promotions.

Rehabilitation Act of 1998:

A federal statute requiring federal agencies to ensure that electronic and information technology systems are accessible to individuals with disabilities when their jobs require the use of electronic or information technology systems.

Reinforcement:

The practice of providing positive feedback to an individual or groups of individuals after completion of a particular project or achievement of a particular goal.

Release agreement:

A type of legal written document executed by an employer and signed by an employee whereby the employee relinquishes certain rights in exchange for some form of consideration, such as a benefit the employee would not have otherwise received had he or she not been discharged.

Relocation assistance:

A type of benefit offered to employees who accept work assignments in new locations. Typically takes the form of assistance with moving costs, travel expenses, temporary lodging and home-buying/selling.

Remote employees:

Employees who work off company premises and are removed from their supervisors or managers.

Remote managers:

A manager who supervises employees who perform their work at a site other than the employer's premises.

Repatriate:	The process of returning to the United States after being placed on a long-term international assignment.
Request for proposal (RFP):	A document an organization sends to a vendor inviting the vendor to submit a bid for a product or service.
Resident alien:	A resident alien is a lawful permanent resident of the United States at any time if he or she has been given the privilege, according to the immigration laws, of residing permanently as an immigrant. This status usually exists if the Bureau of Citizenship and Immigration Services has issued a green card.
Resolution:	The disposition of a disagreement or grievance through alternative dispute resolution methods.
Restructuring:	Changing an organizational structure in order to make it more efficient and cost effective.
Retention bonus:	An incentive payment used to entice employees from leaving the organization. Typically employees are asked to sign an agreement stating they will remain employed for a specific duration or until the completion of a particular task or project in order to be eligible for the bonus.
Retirement plan:	A written qualified or nonqualified benefit plan, funded by employer and employee contributions, that provides retirement income benefits for employees.
Return on investment (ROI):	A ratio of the benefit or profit derived from a specific investment, compared with the cost of the investment itself.
Reverse discrimination:	Employment policies or practices that result in discriminatory treatment against

applicants or employees who are not minorities or members of a disadvantaged group.

Rightsizing:

An approach to reducing staff, whereby jobs are prioritized in order to identify and eliminate unnecessary work. This method uses a selection criteria based on individual jobs, rather than people, in order to avoid possibly laying off the wrong employees.

Right-to-sue letter:

A letter issued by the EEOC, once a charge has been recorded and processed, informing individuals who filed the charge that they have the right to further pursue their charges in a federal or state court.

Right-to-work:

A state law preventing labor-management agreements requiring an individual to join a union as a condition of employment.

Risk management:

The use of insurance and other strategies in an effort to minimize an organization's exposure to liability in the event a loss or injury occurs.

Role playing:

A training method in which each participant purposely acts out or assumes a particular character or role.

Rolling year:

Under FMLA regulations, a rolling year is defined as a 12-month period measured backward from the date an employee first uses leave.

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Safe Harbor Regulations:

Guidelines regulated by the Department of Labor, which, when fully complied with, may reduce or limit the liability of a plan fiduciary.

Salary compression:

Pay differentials too small to be considered equitable. The term may apply to differences

between (1) the pay of supervisors and subordinates; (2) the pay of experienced and newly hired incumbents of the same job; and (3) pay-range midpoints in successive job grades.

Salary grade:

A compensation level expressed as a salary range, which has been established for each position within the organization.

Salary range:

A range of pay rates, from minimum to maximum, set for a specific pay grade.

Salary structure:

A structure of job grades and pay ranges established within an organization. May be expressed as job grades or job evaluation points.

Sarbanes-Oxley Act of 2002:

The Sarbanes-Oxley Act of 2002 was enacted to increase accountability of corporations to their shareholders in the wake of recent accounting scandals. There are many financial provisions that are not germane to HR basics. Two provisions are of special interest to HR professionals--the whistleblower protection provision and the 401(k) blackout notice provision.

Scalability:

The degree to which a computer application or component can be expanded in size, volume or number of users served and continue to function properly.

Screening:

Usually the first step taken during the interviewing process, involving reviewing prospective candidate applications/resumes, verifying information supplied by the candidate, conducting interviews and examining test results.

Self-employed:

An individual who has earned income for the current or preceding year from self-employment, within the meaning of I.R.C. §401(c) (2), or an individual who would have had such income, except for the fact that the relevant business did not incur a profit for

the year.

Self-funding/self-insurance:

A benefit plan whereby the employer assumes all the risk, paying out for claims but saving the cost of any associated premiums.

Seniority:

Status determined by the length of time an employee has worked for a specific employer, department or position within the organization.

Serious health condition:

An illness, injury, impairment or physical or mental condition that involves inpatient care in a hospital, hospice or residential medical care facility; or continuing treatment by a health care provider.

Service award:

Part of a formal or informal recognition program that rewards employees based on length of service.

Severance pay:

A form of short-term salary continuation awarded to employees who are being terminated. Severance payments often equal one week's pay for each year of service.

Sex Discrimination Act of 1975:

The Sex Discrimination Act of 1975 prohibits discrimination against individuals based on sex or marital status in areas of employment, education, the provision of goods, facilities and services or in the management of premises.

Sex discrimination:

Discriminatory conduct or actions based on sex or pregnancy, as it relates to conditions of employment, benefits, pay and opportunities for advancement.

Sexual harassment:

Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitute sexual harassment when this conduct explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's

work performance or creates an intimidating, hostile or offensive work environment.

Sexual orientation:

The focus of a person's amorous or erotic desires and feelings toward members of the opposite or the same gender.

Shareholder:

An individual or corporation that owns shares in the corporation.

Shift differential:

Additional compensation, usually expressed as cents per hour, paid as an incentive for employees to accept working a less-than-desirable work shift (i.e., 2nd or 3rd shift).

Short-term disability:

A benefit designed to provide temporary income replacement for worker absent due to illness or injury, but who is expected to return to work within a specified timeframe.

Sick leave:

Paid time off granted to employees who are out of work due to an illness or injury.

Six Sigma:

Six Sigma is a disciplined, data-driven methodology used to eliminate defects and improve processes and cut costs from manufacturing to transactional and from product to service.

Skill:

Ability to perform a mental or motor activity that contributes to the effective performance of a job task.

Skill-based pay:

A salary differentiation system that bases compensation on an individual's education, experience, knowledge, skills or specialized training.

Skill gap:

A deficiency in basic writing, reading, mathematical or oral communication skills.

Skills training:

Training provided to employees to help them ascertain the skills and knowledge necessary

to perform their current jobs; also used as a retraining method when new systems or processes are introduced.

Slander:

False defamation expressed as spoken words, signs or gestures, which cause damage to the character or reputation of the individual being defamed.

Social Security:

A federal program under the Social Security Act which provides for retirement, disability and other related benefits for workers and their eligible dependents.

Social Security card:

A card issued by the Social Security Administration displaying an individual's full legal name and social security number assigned to the individual.

Sole proprietorship:

A business enterprise in which an individual is fully and personally liable for all the obligations of the business, is entitled to all profits and exercises complete managerial control.

Specialization:

A principle stating that, as an organization grows, work within the organization needs to be divided in order to keep jobs from becoming so specialized or complex that they require a greater range of skills that essentially can not be performed by one individual.

Spot rewards:

Cash and noncash awards given to employees for ideas submitted or accomplishments benefiting the organization.

Staffing:

The function within an organization responsible for recruitment, screening and selection of employees. Oftentimes, this function may also be responsible for other areas of employment, such as orientation, retention, training and termination of staff.

Staffing metrics:	Measures used to determine costs associated with recruitment and hiring, time to fill/start for open positions and recruiter workload/activity.
Staff leasing:	The practice of an employer directly hiring an employee on a temporary basis for an indefinite period of time instead of utilizing the services of a temporary staffing agency.
Stakeholder:	Someone with a vested interest in the successful completion or outcome of a project.
Standard deviation:	A statistic used as a measure of the dispersion or variation in a distribution, equal to the square root of the arithmetic mean of the squares of the deviations from the arithmetic mean.
Standardization:	Design and implementation of consistent specifications for procedures, practices, materials, machinery or other equipment or other types of products and services.
Statute of limitation:	Laws prescribing deadlines for filing lawsuits within a certain time after events, which are the source of the claim, occur.
Statutory benefits:	Benefits that are mandated by federal or state laws, such as Social Security, unemployment insurance and workers' compensation.
Stop loss insurance:	A contract established between a self-insured employer and an insurance provider providing for carrier coverage if a claim incurred exceeds a specified dollar amount over a predetermined period of time.
Strategic HR:	The process of taking a long-term approach to Human Resource Management through the development and implementation of HR programs that address and solve business

problems and directly contribute to major long-term business objectives.

Strategic planning:

The process of identifying an organization's long-term goals and objectives and then determining the best approach for achieving those goals and objectives.

Structured interview:

A structured interview asks the same questions of each candidate, so that valid comparisons of the quality of responses can be obtained. The questions generally take four job-related forms: situational, observational, personal and behavioral.

Subject matter expert:

An individual who has expertise in a business process or specific area.

Subordinate appraisal:

An appraisal system whereby managerial employees are evaluated by their subordinates.

Subsidiary:

A company having more than half of its stock owned by another company or is completely owned by another company.

Substance abuse:

Defined as a destructive pattern of substance (i.e., narcotics or alcohol) use leading to clinically significant social, occupational or medical impairment.

Succession planning:

The process of identifying long-range needs and cultivating a supply of internal talent to meet those future needs. Used to anticipate the future needs of the organization and assist in finding, assessing and developing the human capital necessary to the strategy of the organization.

Summary plan description:

A written statement that contains information regarding participation, coverage and employee rights for any ERISA-covered benefit plan.

Suspension:

A form of disciplinary action resulting in an employee being sent home without pay for a specified period of time (the Fair Labor Standards Act contains stricter rules relating to suspending salaried exempt employees without pay).

T [\(back to top\)](#)**360-degree feedback:**

An appraisal process whereby an individual is rated on his or her performance by people who know something about the individual's work. This can include direct reports, peers, managers, customers or clients; in fact, anybody who is credible to the individual and is familiar with his or her work can be included in the feedback process. The individual usually completes a self-assessment exercise on his or her performance, which is also used in the process.

Talent Management:

Broadly defined as the implementation of an integrated strategies or systems designed 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.

Tangible rewards:

Rewards that can be physically touched or held (i.e., a gift certificate, gifts in the form of merchandise or a savings bond.).

Task analysis:

Involves defining standards and conditions of a particular task and identifying the distinguishing factors between tasks.

Telecommuting:

Working from a remote location (often one's home workstation) using computers, telephones, facsimile machines and other remote capabilities, rather than commuting via automobile or other mode of transportation to and from an employer's work site to perform equivalent work.

Teleconferencing:	A conference established between two or more people or groups of people who are in different locations; made possible by the use of such telecommunications equipment as closed-circuit television.
Temporary employee:	An individual who works on either short- or long-term assignments with an employer without being treated as a permanent employee and lacking the benefits of permanent employees. Normally utilized by employers to meet seasonal or other demands that they do not have the internal resources to meet.
Temp-to-perm:	The process of hiring employees on a temporary basis, usually through a temporary staffing agency, with the understanding that if the individual's performance meets or exceeds expectations, he or she will be offered a permanent position within the organization.
Termination:	Separation from employment due to a voluntary resignation, layoff, retirement or dismissal.
Termination-at-will:	A rule allowing an employee or employer to terminate the employment relationship at any time for any or no reason at all.
Termination date:	Normally the last date actually worked by an employee; however, for employers with accrued leave programs, paid leave programs, benefit continuation programs or severance pay programs which go beyond the last day worked, the termination date would be the date at which accruals, paid leave, benefit continuation or severance continuation ceases.
Time management:	The discipline of utilizing time efficiently and well in order to achieve professional, personal or organizational objectives.

Title VII of the Civil Rights Act of 1964:	Title VII is a provision of the Civil Rights Act of 1964 that prohibits discrimination in virtually every employment circumstance on the basis of race, color, religion, gender, pregnancy or national origin. In general, Title VII applies to employers with 15 or more employees. The purpose of Title VII's protections is to "level the playing field" by forcing employers to consider only objective, job-related criteria in making employment decisions. Title VII must be considered when reviewing applications or resumes, when interviewing candidates, when testing job applicants and when considering employees for promotions, transfers or any other employment-related benefit or condition.
Total compensation:	The complete pay package awarded employees on an annual basis, including all forms of money, benefits, services and in-kind payments.
Total remuneration:	The amount of monetary and nonmonetary value to an employee of all the elements in the employment package, as well as any other intrinsic or extrinsic rewards of value to the employee.
Trailing spouse:	A term used to describe the spouse of an employee who has been transferred or relocated.
Training needs analysis:	A method used to determine what people need to learn and which training programs may be beneficial. The result of the analysis is a training needs report identifying training needs and the interventions needed to reduce key performance gaps.
Transfer:	Moving an employee from one position, shift or department to another within the organization.
Transitional employment:	Provides alternative work arrangements, such as temporary light or modified duty, for employees who have been absent from the

workplace as a result of illness or injury and who have been released by their medical provider to return to work.

Transgender:

A term applied to an individual whose physical appearance and behaviors do not conform to traditional gender roles.

Trend analysis:

The process of forecasting an organization's staffing needs by analyzing past employment patterns in order to identify trends that may be expected to continue.

Tuition assistance:

A program designed to provide financial assistance to employees taking educational courses at an accredited college or university.

Turkey trot:

A term used to describe the practice of transferring problem or performance-challenged employees from one position or department to another with the expectation that the employee may improve under a new supervisor or in a different work atmosphere.

Turnover:

Describes changes in the work force resulting from voluntary or involuntary resignations.

Turnover costs:

Costs associated with a separation of employment, including items such as unemployment compensation, COBRA benefits continuation costs, the cost of conducting exit interviews, as well as costs associated with replacing an employee, such as advertising, pre-employment testing, time and materials for new hire orientation, training and lost productivity.

Turnover rate:

The number of separations during a month, including both voluntary and involuntary terminations (excluding layoffs). The turnover rate is calculated by taking the number of separations during a month divided by the average number of employees

on the payroll multiplied by 100.

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Underutilization:	As part of the affirmative action process, this report is used to determine whether certain members of protected groups are being inadequately represented within the workforce. The report uses information based on the geographic area and positions within the organization.
Unemployment insurance (UI):	A statutory benefit. Unemployment insurance is designed to provide workers who have been laid off a weekly income during short periods of unemployment. The system is run and funded by state and federal taxes paid by employers.
Unemployment rate:	The number of individuals unemployed as a percentage of the labor force.
Unfair labor practice (ULP):	An unfair labor practice (ULP) is a violation of a right protected by the Federal Service Labor-Management Relations Statute. The ULP procedures provided by the Statute are part of the basic mechanisms by which the parties are protected in the exercise of their rights.
Uniform Guidelines on Employee Selection Procedures of 1978:	The Uniform Guidelines on Employee Selection Procedures address the use of interviewing, testing, training and other employee selection tools and their impact on discrimination based on race, color, religion, sex or national origin. Specifically addressed is adverse impact, measured by the 80% test, which states that if a selection practice yields less than 80% of a protected group, as compared with the most frequently selected group, there may be evidence of discrimination. The guidelines also require employers to maintain records, for an unspecified period of time, on their selection procedures and any adverse impact noted, as well as records of the employer's workforce broken down by race and ethnic

groups.

Uniformed Services Employment and Reemployment Rights Act (USERRA) of 1994:

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA, or the Act), signed into law on October 13, 1994, clarifies and strengthens the Veterans' Reemployment Rights (VRR) Statute. USERRA is intended to minimize the disadvantages to an individual that can occur when that person needs to be absent from his or her civilian employment in order to serve in the uniformed services. USERRA makes major improvements in protecting service member rights and benefits by clarifying the law and improving enforcement mechanisms. USERRA expands the cumulative length of time that an individual may be absent from work for uniformed services duty and retain reemployment rights.

Upward mobility:

The process of preparing minorities for promotion into higher-level jobs, such as managerial positions.

U.S. Citizenship and Immigration Services (USCIS):

On March 1, 2003, service and benefit functions of the U.S. Immigration and Naturalization Service (INS) transitioned into the Department of Homeland Security (DHS) as the U.S. Citizenship and Immigration Services (USCIS). The USCIS is responsible for the administration of immigration and naturalization adjudication functions and establishing immigration services policies and priorities.

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Vacation buy-back plan:

A program that allows an employee to sell back to the employer any unused vacation time balances.

Vacation carryover:

A policy allowing employees to transfer a portion of their current year vacation balances for use in the next year. The amount of time that can be carried over is

based on the employer's policy.

Value-added work:

Work that increases the value of a service or product to the employer's customers.

Vesting:

An employee's right to receive present or future pension benefits, even if the employee does not remain in the service of the employer.

Virtual HR:

The use of technology to provide HR programs via an employee self-service platform. Typically includes use of such items as voice response systems, employee kiosks, etc.

Virtual office/workplace:

The work site of employees such as sales reps or other types of employees who work off company premises and communicate with their respective workplaces via telephone or computer.

Voluntary leave/layoff:

Leave without pay that is taken on a voluntary basis by employees for specified duration. Often used as an alternative to layoff.

Voluntary reduction in hours:

Allows employees to voluntarily reduce their working hours as well as their pay for a specified duration. Also used as an alternative to layoff.

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Wage and salary administration:

Procedures used for planning and administering organization-wide compensation programs for all levels of employees.

Wage and salary survey:

A benchmark report consisting of market pay data for a variety of jobs conducted either on a local or nationwide basis. Used to evaluate an organization's own current pay structures

and as a future compensation planning tool.

Wage curve:

Depicts pay rates currently being paid for each job within a pay grade in relation with the rankings awarded to each job during the job evaluation process.

Wage gap:

The difference in pay between female employees and male employees who are performing the same or comparable jobs.

Wage garnishment:

Usually in the form of a court order, a garnishment requires withholding a portion of an employee's earnings for repayment of a debt.

Wage differential:

Differences in wage rates for similar jobs occurring either due to the location of company, hours of work, working conditions, type of product manufactured or other circumstances.

Wage structure:

Depicts the range of pay rates to be paid for each grade for various positions within the organization.

Well child care:

Health care benefits that provide payment for routine office visits and physical examinations, immunizations and laboratory tests for dependent children.

Wellness program:

Programs, such as on-site or subsidized fitness centers, health screenings, smoking cessation, weight reduction/management, health awareness and education, that target keeping employees healthy, thereby lowering employer's costs associated with absenteeism, lost productivity and increased health insurance claims.

Whistleblower Protection Act of 1989:

Whistleblower protection is the federal law that provides protection to employees against retaliation for reporting illegal acts of employers. An employer may not rightfully retaliate in any way, such as discharging,

demoting, suspending or harassing the whistle blower. Employer retaliation of any kind may result in the whistle blower filing a charge with a government agency and/or filing a law suit against the employer.

White collar employees:

Employees who are paid on a salaried basis and whose jobs do not require the performance of work of a manual nature. Such individuals are normally employed in the capacity of managers, supervisors, salespeople, clerical or technical workers and meet the criteria of the FLSA white collar exemption test.

Work/life balance:

Having a measure of control over when, where and how individuals work, leading to their being able to enjoy an optimal quality of life. Work/life balance is achieved when an individual's right to a fulfilled life inside and outside paid work is accepted and respected as the norm, to the mutual benefit of the individual, business and society.

Workers' compensation:

State laws enacted to provide workers with protection and income replacement benefits due to an illness or injury suffered on the job. Employers must carry appropriate workers' compensation insurance, as required by state law, or have a sufficient source of funding for claims incurred.

Work Opportunity Tax Credit:

The Work Opportunity Tax Credit (WOTC), authorized by the Small Business Job Protection Act of 1996 (P.L. 104-188), is a federal tax credit that encourages employers to hire nine targeted groups of job seekers by reducing employers' federal income tax liability by as much as \$2,400 per qualified new worker; \$750, if working 120 hours or \$1,200, if working 400 hours or more, per qualified summer youth.

Workplace violence:

Assaults and other violent acts or threats that occur in or are related to the workplace and entail a substantial risk of physical or emotional harm to individuals or damage to

company resources or capabilities.

Wrongful discharge:

An exception to the at-will employment doctrine, wrongful discharge/termination is the unjust or unfair termination of an employee based on breach of a written or oral implied contract or a violation of public policy.

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Zero-based bonus:

A plan design feature that establishes a pre-assigned class, ratio, or ranking for a specified class of employees who will receive zero bonus awards.

Zero-based budgeting:

A budgeting system that starts with no authorized funds as a starting point. In a zero-based budget, each activity or program to be funded must be justified every time a new budget is prepared and resources are allocated accordingly.