

A

Absenteeism

Refers to time lost when employees do not come to work as scheduled.

Accident

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

Acquired Immune Deficiency Syndrome (AIDS)

A bloodborne pathogen transmitted through intimate contact.

Ad Hoc Arbitrator

Arbitrator who is selected on a case-by-case basis.

Administrative Law Judge (ALJ)

Judge who conducts the formal procedures for OSHA citations.

Administrative-Services-Only (ASO) Health-Care Plan

Type of health-care plan in which the employer assumes the risk of high costs and hires an insurance claims department to handle claims.

Adverse Impact

When rules applied to all employees have a different and more inhibiting effect on women and minority groups than on the majority; occurs when the selection rate for a protected class is less than 80% of the rate for the class with highest selection rate; also known as disparate impact.

Affirmative Action (AA)

Program in which employers identify conspicuous imbalances in their workforce and take positive steps to correct under representation of protected classes.

Affirmative Action Plans (AAPs)

Plans that focus on the hiring, training and promoting of protected classes where there are deficiencies.

Age Discrimination in Employment Act (ADEA)

Act that determined that older workers may not be discriminated against by performance-based pay systems. The Act prohibits discrimination in employment for persons age 40 and over except where age is a BFOQ.

Agency Shop Clause

States that even if workers do not join the union, they must still pay the equivalent of dues to the union.

Agent-Principal Relationship

Means that regulations on unfair labor practices (ULPs) that apply to employers also apply to acts of individual managers and supervisors.

Albemarle Paper vs. Moody

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

Ally Doctrine

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

Alternate Work Schedules

Departure from the traditional workday or work week to improve organizational productivity and employee morale by giving employees increased control over the hours they work.

Alternate-Duty Program

When an employer offers an employee a less strenuous job until they are fit to return to their regular job; also known as early return to work program or modified-duty program.

Alternative Dispute Resolution (ADR)

Umbrella term describing a number of problem-solving and grievance resolution approaches; generally refers to any means of settling disputes outside of the courtroom.

Alternative Staffing

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

**Americans with Disabilities Act (ADA)**

Prohibits discrimination against a qualified individual with a disability because of the disability of such individual.

Applicant Flow Data

Looks at differences in selection rates among different groups for a particular job.

Aptitude Tests

Measure the general ability to learn or acquire a new skill.

Arbitration

Disputes are submitted to one or more impartial persons for final determination; the dominant third-party method of settling labor disputes.

Assessment Centers

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

Associate Membership

Union tactic to aid in organizing in which membership is offered outside the traditional local union organization; often used with professional groups and public employees.

Attitude Survey

Organizational feedback and communication mechanism that asks employees to provide opinions on given topics; also known as climate survey.

Authorization Cards

Part of the union organizing drive when union representatives have employees sign cards to indicate that they want union representation.

Automatic Step-Rate Pay Structure

Pay structure in which the pay scale is divided into steps, usually 3% to 7% apart.

Autonomy

Involves the extent of individual freedom and discretion in work and its scheduling.

Availability Analysis

Analysis that determines if adverse impact exists; the employer examines the labor market in the firm's recruiting area, determines the percentage of workers in a protected class that are present, and then applies the four-fifths rule to this number.

B

Bargaining Unit

The group of employees a union wants to represent.

Base Pay

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

Behavioral Interview

Type of interview in which the interviewer focuses on how the applicant previously handled real work situations.

Benchmark Jobs

Jobs used as reference points when setting up a job classification system.

Blocking-Charge Bar

A situation in which the NLRB will bar a petition for an election; when an unfair labor practice charge affecting the proposed bargaining unit is pending.

Bloodborne Pathogens

Microorganisms in human blood that can cause disease in humans.

Bloodborne Pathogens Standard

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

Bona Fide Occupational Qualification (BFOQ)

Situation in which gender, religion or national origin is reasonably necessary to the normal operations of the business or enterprise.

Bottom-Line Concept

Specifies that an employer is not required to evaluate each component of the selection process individually if the end result of the process is predictive of future job performance.

Broadbanding

An effort to make job evaluation more compatible with the de-layering of organizations by combining several salary grades or job classifications with narrow pay ranges into one band with a wider salary spread.

Building-Related Illness (BRI)

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

Bumping

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

C

Call-Back Pay

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

Capitated Health-Care Plan

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

Career-Average Formula

Type of for-formula used to determine benefits under a defined benefit pension plan, based on a percentage of pay for each year the employee is in the plan or a percentage of career-average pay times years of service.

Cash Balance Plan

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

Cash Profit-Sharing Plans

Provide employees with payments, based on the organization's profitability, that are additional to the employees' normal rates of pay and taxed accordingly.

Cease-and-Desist Order

NLRB order requiring that an employer cease and desist from continuing misconduct practices.

Census of Fatal Occupational Injuries (CFOI)

A government program that tracks work-related fatal injuries.

Certification-Year Bar

A situation in which the NLRB will bar a petition for an election; when a union has been initially certified during the previous 12 months.

Circuit City Stores v. Adams

2000 court ruling that provision in pre-hire employment application requiring that all employment disputes be settled by arbitration is enforceable.

City of Richmond v. J. A. Croson Company

1989 court ruling that the rigid numerical quota system of Richmond, Virginia, was unconstitutional because the city had not laid the proper groundwork and had not adequately identified or documented discrimination.

Civil Rights Act of 1991

Expands the damage awards available to victims of discrimination.

Clayton Act

Dealt with court-issued injunctions; primarily directed at large monopolistic employers but applied by courts to the labor unions as if they were a monopoly.

Cliff Vesting

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

Climate Survey

Organizational feedback and communication mechanism that asks employees to provide opinions on given topics; also known as attitude survey.

**Closed Questions**

Questions that can usually be answered with yes or no.

Closed Shop Clause

States that union membership is a condition of hiring; is illegal (except in the construction industry).

Coalition Bargaining

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

Co-determination

As related to international labor relations, an approach that requires managers and employees to discuss major strategic decisions before companies implement them.

Co-employment

Generally describes a situation in which an organization shares joint responsibility and liability for their alternative workers with the alternative staffing supplier; also known as joint employment.

Cognitive Ability Tests

Tests that assess skills the candidate has already learned.

Co-insurance

The amount (typically 20% to 30% or a fixed dollar amount) of covered medical expenses that the employee pays; also known as co-payment.

Collective Bargaining

The process by which management and union representatives negotiate the employment conditions for a particular bargaining unit; may cover items such as wages, benefits, working conditions and other matters deemed important by the members.

Collective Bargaining Agreement

The contract governing the day-to-day relationship of the employer and the employees in the bargaining unit.

Commission

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

Committee

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

Common Law

Dictates that custom- and usage have the force of law, even if not specifically found in codified written laws; based on court decisions, on the implicit doctrines in those decisions, and on customs rather than codified laws.

Common Situs Picketing

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

Community of Interests

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

Comparable Worth

Concept that states that jobs filled primarily by women should have the same job classification and salary as similar jobs filled by men.

Compa-ratio

The pay level divided by the midpoint of the pay range.

Compensable Factors

Reflect how a job adds value to the organization; these factors are used to determine which jobs are worth more than others.

Competency Model

Set of job competencies that together make up a profile for success for a particular job.

Complainant

In the EEOC complaint process, the individual who files the complaint; also known as plaintiff.

Compliance Evaluation

OFCCP evaluation that requires an organization to provide details and documentation of its AAP.

Compressed Work Week

Compresses a full week's work into less than five days.

Compulsory Arbitration

When the law requires that both parties submit to arbitration.

Computer Vision Syndrome (CVS)

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

Conciliation

A method of non-binding dispute resolution involving a third party who tries to help the disputing parties reach a mutually agreeable decision; also known as mediation.

Concurrent Validity

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

Confined Space Entry Standard

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

Congressional Accountability Act

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

Consent Election

An agreement between an employer and a union to waive the pre-election hearing.

Consolidated Omnibus Budget Reconciliation Act (COBRA)

Act that provides for continuation of group health-care benefits for former employees and their families.

Construct Validity

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

Constructive Confrontation

An intervention strategy that focuses on job performance.

Constructive Discharge

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

Consumer Credit Protection Act

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

Consumer Picketing

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

Consumer Price Index (CPI)

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

Content Validity

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

Contract Bar

A situation in which the NLRB will bar a petition for an election; states that a valid, signed agreement for three years or less will bar election during the life of the agreement.

Contract Technical Workers

A type of flexible staffing option; highly skilled technical workers (e.g., engineers, data processing specialists) supplied for long-term projects.

Contrast Effect

Type of interviewer bias; when strong candidates who interview after weak ones may appear even more qualified than they actually are because of the contrast.

Control of Hazardous Energy Standard

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

Coordinated Bargaining

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

Coordination of Benefits

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

Co-payment

The amount (typically 20% to 30% or a fixed dollar amount) of covered medical expenses that the employee pays; also known as co-insurance.

Copeland "Anti-Kickback" Act

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

Cost-of-Living Adjustment (COLA)

Pay adjustment given to employees regardless of their performance or company profitability; usually linked to inflation; also referred to as a standard percent raise.

Counseling

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

Criterion-Related Validity

Refers to the link between a selection device and job performance; requires a careful analysis of the job itself.

Cultural Noise

Type of interviewer bias; failure to recognize responses of a candidate that are socially acceptable rather than factual.

Cumulative Trauma Disorders (CTDs)

Injuries caused by repetitive motion that affect muscles, tendons, ligaments, joints, cartilage, blood vessels and spinal disks; also called musculoskeletal disorders (MSDs), cumulative trauma syndrome (CTS) or repetitive stress injuries (RSIs).

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D

Davis-Bacon Act

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

De Minimis Violation

A violation of an OSHA standard that does not have a direct impact on employees' safety and health on the job; least serious OSHA violation.

Deauthorization

Removes the authority of the bargaining representative to enter into and enforce a union security clause.

Decertification

The means for employees to terminate union representation; removes the union from its position as bargaining representative.

Deductible

The initial amount of covered medical expenses an individual must pay before receiving paid benefits under a health-care plan; usually expressed in terms of an individual and/or family deductible or a per-service fee.

Defamation

A common-law tort; defined as injuring someone's reputation either through verbal (slander) or written (libel) statements.

Defense Authorization Bill

Excluded federal contractors from overtime pay requirements after eight hours of work a day; in their case, time-and-a-half must be paid only for hours in excess of 40 per week.

**Deferred Profit-Sharing Plan**

Refers to a qualified, tax-deferred retirement plan where the employer contributes a percentage of profits to employee accounts; it is taxed at a later date.

Defined Benefit Plan

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

Defined Contribution Plan

Plan in which the employer and sometimes the employee make an annual payment to the employee's retirement plan account.

Delphi Technique

Uses information provided by a group; group members take turns presenting forecast assumptions and the forecast is revised until a composite emerges that incorporates many of their assumptions.

Differential Pay

Pay that is based on when the employee works (i.e., overtime pay, shift-pay differential) or where the employee works; also called variable pay.

Differential Piece-Rate System

Pay system where the employee receives one piece rate up to a standard and then a higher rate once the standard is exceeded.

Direct Compensation

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

Directed Election

An election ordered by the NLRB regional director after a pre-election hearing.

Directive Interview

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

Disability

A physical or mental impairment that substantially limits one or more major life activities such as caring for oneself, performing manual tasks, seeing, hearing, etc.

Disability Benefits

Monthly benefits paid under Social Security to workers (and eligible dependents) younger than the Social Security retirement age if they have a disability.

Disparate Impact

When rules applied to all employees have a different and more inhibiting effect on women and minority groups than on the majority; occurs when the selection rate for a protected class is less than 80% of the rate for the class with highest selection rate; also known as adverse impact.

Disparate Treatment

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

Distributive Bargaining

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

Double Breasting

Refers to when a common owner operates a union business and a non-union business.

Draw

Amount advanced on future commissions.

Drug-Free Workplace Act

Requires federal contractors with contracts of \$100,000 or more to follow requirements to certify that they are maintaining a drug-free workplace.

Dual-Ladder Career Progression

Allows employees to advance via either a management or technical track within the organization.

Dues Checkoff

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

Duty of Fair Representation

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

Duty of Good Faith and Fair Dealing

A common-law tort; contracts impose this duty on each party as an obligation for honesty in the conduct of the transaction.

Duty of Successor Employers or Unions

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

E

E. I. Dupont & Company

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

Early Return to Work Program

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

Economic Growth and Tax Relief Reconciliation Act (EGTRRA)

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

Electromation

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

Ellerth v. Burlington Northern Industries

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

Emergency Exit Procedures Standard

An OSHA standard that provides guidelines for preparing an emergency action plan and includes specifications regarding exits and maintenance of emergency systems; also known as means of egress.

Emergency-Shift Pay

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

Employee Assistance Programs (EAPs)

Company-sponsored programs that deliver a variety of health-related services, which are provided by licensed professionals or organizations and offer employees a high degree of confidentiality. EAPs provide counseling and help to employees having emotional, physical or personal problems.

Employee Commuting Flexibility Act (ECFA)

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

Employee Grievance

Any employee's concern over a perceived violation of the labor agreement that is submitted to the grievance procedure for resolution.

Employee Guidebook

Explains major Human Resources (HR) and employee policies and procedures and generally describes the employee benefits provided; also called employee handbook or manual.

Employee Handbook

Explains major Human Resources (HR) and employee policies and procedures and generally describes the employee benefits provided; also called employee guidebook or manual.

Employee Involvement (EI)

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

Employee Manual

Explains major Human Resources (HR) and employee policies and procedures and generally describes the employee benefits provided; also called employee guidebook or handbook.

**Employee Polygraph Protection Act (EPPA)**

Makes it unlawful for employers to use lie detectors in employment decisions except for a few narrowly defined exceptions for "security-sensitive" positions.

Employee Retirement Income Security Act (ERISA)

Act that established the basic uniform standards that must be met by employer-sponsored pension, health and welfare benefit programs.

Employee Right-to-Know Law

An OSHA standard that requires the use of labeling, Material Safety Data Sheets (MSDS), training, orientation for new and transferred employees, and written hazard communication program to inform employees of hazardous chemicals in the workplace; also known as a hazard communication standard.

Employee Stock-Ownership Plans (ESOPs)

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

Employee Survey

An instrument used to assess employee perceptions about the work environment.

Employment Agreement

An agreement between an employer and an employee that explains the employment relationship; also known as employment contract.

Employment Branding

A blend of marketing, communications, and performance technology intended to get an organization's name out to a mass audience fast; a basis for recruiting employees.

Employment Contract Employment Offer

An agreement between an employer and an employee that explains the employment relationship; also known as employment agreement. Offer makes the hiring decision official; should immediately follow the final decision to hire a candidate, also known as offer letter.

Employment-At-Will

A common-law principle stating that employers have the right to hire, fire, demote and promote whomever they choose for any reason unless there is a law or contract to the contrary.

Epidemiology

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

Equal Employment Opportunity Commission (EEOC)

Federal agency responsible for enforcing antidiscrimination laws and handling alleged complaints.

Equal Pay Act (EPA)

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

Equal Work

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

Ergonomics

The science aimed at tailoring the workplace environment to avoid injury and eliminate accidents.

Essential Function

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

Excelsior List

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

Excess Deferral Plans

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

Excess Group-Term Life Insurance

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

Executive Order 12138

Requires federal agencies to take affirmative action in support of women's business enterprises.

Executive Orders 11246, 11375, 11478

Require federal contractors and subcontractors with contracts in excess of \$10,000 during any 12-month period to comply with Title VII and to take positive, results-oriented steps to eliminate employment barriers to women and minorities.

Executive Search Firms

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

Exempt Employees

Employees who are excluded from FLSA minimum wage and overtime pay requirements.

Exit Interview

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

Expatriates

Persons who live in one country and are employed by an organization based in another country; also called international assignees.

Experience Rating

Bases employer unemployment insurance on the employer's number of terminated workers.

Express Oral Contract

A common-law tort implying that a contract need not be in writing to be enforceable; an express oral contract can be created when an employer and an employee exchange promises related to employment.

External Equity

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

F

Facilitation Mediation

When the mediator may act as an observer, helping each side to talk; the parties talk to the mediator without losing face by presenting an alternative directly to the other party.

Fact-Finding

An ADR option; allows for an impartial third person (or team) external to the organization to examine a complaint and the facts.

Fact-Finding Mediation

When the mediator collects data about the 'parties and restates their positions; may bring to light new considerations not otherwise recognized by the parties.

Factor Comparison Method

Job comparison method that involves the ranking of jobs on selected compensable factors, using factor weights and dollar values to determine a score.

Fair Credit Reporting Act (FCRA)

Protects the privacy of background information and ensures that the information supplied is accurate; imposes legal obligations on employers who use credit and other third-party background reports.

Fair Labor Standards Act (FLSA)

Act that regulates employee overtime status (exempt and non-exempt), child labor, minimum wage, overtime pay, record keeping and other administrative concerns.

Fair Representation

Means that a union's conduct may not be arbitrary, discriminatory or in bad faith.

Family and Medical Leave Act (FMLA)

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

Featherbedding

When unions try to require the employment of more workers than is necessary.

Federal Labor Relations Authority (FLRA)

An independent, bipartisan commission, similar to the NLRB; primary function is to administer the many provisions of the various executive orders that fall under the Civil Service Reform Act of 1978.

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

Established by the LMRA to offer assistance in contract settlement and to maintain a list of arbitrators to help interpret contract language and resolve disputes.

Feedback

The amount of clear information received about how well or how poorly one's job has been performed.

Fee-for-Service Health-Care plan

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

Fetal Protection Policies

Attempts to protect the fetus from workplace hazards.

Final-Pay Formula

Type of formula used to determine retirement plan payments based on the average earnings during a specified number of years.

Financial Accounting Standards Board (FASB)

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

First-Impression Error

Type of interviewer bias; the interviewer makes snap judgments and lets his or her first impression (either positive or negative) cloud the entire interview.

Flat-Dollar Formula

Type of formula used in determining retirement plan payments where the employer pays a set dollar amount for each year of service under the plan.

Flat-Rate Pay

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

Flexible Spending Accounts (FSAs)

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

Flexible Staffing

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

Flextime

Requires employees to work an established number of hours per week but allows starting and ending times to vary.

Focus Group

A small group of employees (normally six to twelve) invited to actively participate in a structured discussion with a facilitator.

Fraudulent Misrepresentation

A common-law tort; defined as intentional deception relied upon by and resulting in injury to another person.

Frequency Distribution

Listing of grouped data from highest to lowest.

Frequency Table

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

Full Cafeteria Plans

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

Fully Insured Health-Care Plan

Health-care plan in which the employer pays a third-party provider to assume all costs for health-care coverage for its employees.

Furagher v. City of Boca Raton

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

G

Gainsharing plans

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

Gatekeeper

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

General Duty Clause

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

General Schedule (GS) System

System used by the federal government to classify jobs.

Geographic Differentials

Pay based on where an employee works.

Glass Ceiling

Generally describes the phenomenon of minorities and women being blocked by an invisible barrier from attaining senior executive positions.

Golden Handcuffs

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

Golden Parachutes

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

Good-Faith Bargaining

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

Graded Vesting

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

Green-Circle Rates

Describe a situation where an employee's pay is below the minimum of the range.

Grievance Procedure

Process that provides an orderly way to resolve the inevitable differences of opinion in regard to the union contract.

Griggs v. Duke Power

1971 case that recognized adverse impact discrimination.

Gross Earnings

The total earnings before taxes; includes regular wages plus additional earnings such as tips, bonuses and overtime pay.

Group-Term Life Insurance

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

Guide Chart-Profile

Point-factor job evaluation system developed by Hay Associates, a large consulting organization; also known as the Hay Plan.

H

Halo Effect

Type of interviewer bias; the interviewer allows one strong point that he or she values highly to overshadow all other information; known as the halo effect when this works in the candidate's favor and the horn effect when it works in the opposition direction.

Harris v. Forklift Systems, Inc.

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

Hay Plan

Point-factor job evaluation system developed by Hay Associates, a large consulting organization; also known as the Guide Chart-Profile.

Hazard

An incident without adequate controls applied.

Hazard Communication Standard

An OSHA standard that requires the use of labeling, Material Safety Data Sheets (MSDS), training, orientation for new and transferred employees, and written hazard communication program to inform employees of hazardous chemicals in the workplace; also known as the employee right-to-know law.

Hazard Pay

Refers to pay earned by employees who work in an environment that is considered more risky from a safety or health point of view.

Health

A state of well-being, free of illness or disease.

Health Insurance Portability and Accountability Act (HIPAA)

Act that made changes to improve health-care coverage portability and accessibility.

Health Insurance Purchasing Cooperative (HIPC)

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

Health Maintenance Organizations (HMOs)

Form of health care that provides services for a fixed period on a pre-paid basis.

Hearing Conservation Standard

An OSHA standard that requires employers to reduce noise levels in the workplace if they exceed OSHA standard; also known as Occupational Noise Exposure standard.

Hepatitis B Virus (HBV)

A bloodborne pathogen that affects the liver.

Highly Compensated Employee (HCE) – for Retirement Plans

For 2009, a HCE is anyone who was a 5% owner anytime during the years 2008 or 2009 or anyone who will earn \$110,000 or more in compensation during calendar year 2009.

Honesty/Integrity Tests

Paper-and-pencil measures of applicants' propensity toward undesirable behaviors such as lying, stealing, taking drugs or abusing alcohol.

Horizontal Integration

A variation of job enlargement; breaks the monotony of routine jobs by shifting people between comparable but different jobs; also known as job rotation.

Horn Effect

Type of interviewer bias; the interviewer allows one strong point that he or she this works in the candidate's favor and the horn effect when it works in the opposition direction.

Hostile Environment Harassment

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

Hot Cargo Clauses

Agreement that union members were not required to handle goods made by non-union labor or a struck plant; illegal except for provisions in the construction and clothing industries.

Hourly Wage

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

Human Immunodeficiency Virus (HIV)

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

I

Illegal Subjects

Those collective bargaining items that are unlawful by statute.

Immigration Reform and Control Act (IRCA)

Prohibits discrimination against job applicants on the basis of national origin or citizenship; establishes penalties for hiring illegal aliens.

Implied Contract

A common-law tort existing when an agreement is implied from circumstances, even though there has been no express agreement between the employer and the employee.

Improshare

Industrial engineering-based gainsharing plan that uses past production records to establish base performance standards.

Imputed Income

Premium amount that a company pays on behalf of an employee; the employee does not receive the benefit in dollars but does pay taxes on it.

In Loco Parentis

In place of a parent; term used in expansion of FMLA coverage to employees who stand in place of a parent with day-to-day responsibilities to care for and financially support a child.

Incentive Pay

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

Incidence Rate Statistics

Indicates the work-related injuries and illnesses and the number of lost workdays per 100 employees.

Incident

Any deviation from an acceptable standard.

Indemnity Health-Care Plan

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

Independent Contractors

A type of flexible staffing option; self-employed individuals hired on a contract basis for specialized services. Workers who are not under FLSA regulations as determined by the IRS 20-Factor Test.

Indirect Compensation

Form of compensation commonly referred to as benefits.

Individual Retirement Accounts (IRAs)

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

Industrial Democracy

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

Informational Picketing

Type of picketing done to advise the public that an employer is non-union.

Injunction

A court order that directs a party, employer or union to do or refrain from doing a certain act (or acts).

Integrative Bargaining

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

Interest-Based Bargaining (IBB)

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

Internal Equity

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

International Assignees

Persons who live in one country and are employed by an organization based in another country; also called expatriates.

Involuntary Deductions

Payroll deductions such as tax levies and court-ordered child support that an employee must pay; withheld from paychecks before voluntary deductions.

Involuntary Termination

When employers decide to discharge particular employees for cause (e.g., poor performance, inability to manage subordinates, inability to work with management and violations of employer policy).

Internal Revenue Service (IRS) 20-Factor Test

Set of 20 factors that the IRS uses to determine whether workers are employees or independent contractors.

J

Job Analysis

A systematic study of jobs to determine what activities and responsibilities they include, their relative importance and relationship with other jobs, the personal qualifications necessary for performance of the jobs, and the conditions under which the work is performed.

Job Applicant

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

Job Bidding

An employee application and/or prior request system used to help employees change jobs.
Internal recruiting method that allows employees to indicate an interest in a position before one becomes available.

Job Burnout

Occurs when work is no longer meaningful to a person.

Job Classification

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

Job Competencies

Basic characteristics that can link individuals or teams to enhanced performance; critical success factors needed to perform a given role in an organization.

Job Description

Summarizes the most important features of a job, including a description of the work that details the required tasks, knowledge, skills, abilities, responsibilities and reporting structure.

Job Enlargement

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

Job Enrichment

Increases the depth of a job by adding responsibility for planning, organizing, controlling and evaluation; also known as vertical integration.

Job Evaluation

Systematic determination of the relative worth of jobs within an organization.

Job Grades

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

Job Group Analysis

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

Job Orientation

Information that prepares the employee by introducing him/her to the work environment, co-workers and formal and informal work rules.

Job Posting

Situation in which currently available positions are posted so interested and qualified employees may apply.
Internal recruiting method that allows current employees the chance to respond to announcements of positions.

**Job Ranking**

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

Job Rotation

A variation of job enlargement; breaks the monotony of routine jobs by shifting people between comparable but different jobs; also known as horizontal integration.

Job Sharing

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

Job Specification

Spells out the qualifications necessary for an incumbent to have a reasonable chance of being able to perform the job.

Johnson v. Santa Clara County Transportation Agency

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

Joint Employment

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

Judgmental Forecasts – Leggett v. First National Bank of Oregon

Use information from the past and present to predict expected future conditions; include managerial estimates, Delphi technique and nominal group technique. Court ruling that held that a representative of the company invaded privacy by questioning a psychologist (to whom an employee had been referred by the employee assistance program).

Just Cause Exception

A common-law tort that is an exception to at-will employment; under this exception, employees who have long-term service with the employer and indicia of job security can be terminated only for good or just cause.

K

L

Labor Contract

Legal agreement between an employer and a labor organization for the purpose of regulating certain work-related issues.

Labor-Management Relations Act (LMRA)

Provides a balance of power between union and management by making union unfair labor practices unlawful; also known as Taft-Hartley Act.

Labor-Management Reporting and Disclosure Act (LMRDA)

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

Landrum-Griffin Act

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Lie Detector Test

Measures a person's respiration, blood pressure and perspiration while they are asked a series of questions; the outcome is a diagnostic opinion about honesty; also called polygraph test.

Lifetime Maximum Benefit

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

Line-of-Sight

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

Local Nationals

Those employees a United States company hires abroad for jobs in their own country.

Lockout

Refers to installing a lock, disconnect switch or shutoff valve, so equipment cannot be energized by mistake. Occurs when management shuts down operations to prevent union employees from working.

Lockout/Tagout

An OSHA standard that requires action so equipment cannot be activated (lockout) and signs or labels (tagout) attached to dangerous equipment that should not be activated; also known as Control of Hazardous Energy standard.

Long-Term Care (LTC) Insurance

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

Long-Term Disability (LTD) Coverage

Replaces a portion of an employee's lost income after short-term disability coverage ends; may be combined with Social Security disability.

Lump-Sum Increase (LSI)

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

M

Machine Guarding Standard

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

Maintenance of Membership Clause

According to this clause, an employee may or may not choose to join a union; once the employee joins, however, he/she must maintain membership for the duration of the contract.

Managed Care

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

Managerial Estimates

Projections made by managers; can happen from the top down or the bottom up.

Mandatory Subjects Mediation

Those collective bargaining items required by law and the NLRB. A method of non-binding dispute resolution involving a third party who tries to help the disputing parties reach a mutually agreeable decision; also known as conciliation.

Market-Based Evaluation

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

Martin v. Wilks

Court ruling that allowed Caucasian firefighters to sue the city of Birmingham, Alabama, for reverse discrimination.

Master Vendor Arrangement

A type of flexible staffing option in which one staffing firm supplies all needed temporary employees.

Material Safety Data Sheets (MSDS)

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

Maturity Curves

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

McDonnell Douglas Corp. v. Green

Case that established criteria for disparate treatment; court ruled that individuals can show a prima facie case of disparate treatment in a hiring situation.

McKennon v. Nashville Banner Publishing Co.

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

Means of Egress

An OSHA standard that provides guidelines for preparing an emergency action plan and includes specifications regarding exits and maintenance of emergency systems; also known as Emergency Exit Procedures standard.

Median

Middle number in a range of data.

Medicare

Social Security Administration program that provides medical care for the aged; is taxed with no yearly maximum and is matched by the employer.

Medicare Carve-Out

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

Medicare Part A

Mandatory hospital coverage for persons covered by Medicare.

Medicare Part B

Optional medical coverage for persons covered by Medicare.

Medicare Supplement

Health plan that covers specific expenses not covered by Medicare.

Mental Health Parity Act (MHPA)

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

Merit Pay

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

Meritor Savings Bank v. Vinson

Court ruling that first held that sexual harassment that alters an individual's terms and conditions of employment violates Title VII of the Civil Rights Act of 1964.

Mine Safety and Health Act

Established mandatory safety and health standards for underground and surface mines; created the Mine Safety and Health Administration (MSHA).

Minimum Wage

Minimum hourly amount, determined by Congress, that non-exempt employees can be paid.

Mode

Item that occurs most often in a group of data.

Modified-Duty Program

When an employer offers an employee a less strenuous job until they are fit to return to their regular job; also known as alternate-duty program or early return to work program. Offered to employees who are on leave for injuries under FMLA; job tasks are modified to meet the employee's restrictions.

Money Purchase Plans

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

Multidrug-Resistant TB (MDR-TB)

A new form of tuberculosis that is resistant to current drug therapy.

Multinational Companies (MNCs)

Companies that conduct business and have offices in a number of different countries.

Multiple Employer Bargaining

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

Multiple Linear Regression

A projection of future demand; operates the same as simple linear regression, except that several variables are utilized to project future demand.

Musculoskeletal Disorder (MSD)

An injury caused by repetitive motion that affects muscles, tendons, ligaments, joints, cartilage, blood vessels and spinal disks; also called cumulative trauma syndrome (CTS), cumulative trauma disorders (CTDs) or repetitive stress injuries (RSIs).

N

National Industrial Recovery Act (NIRA)

Extended the policies of the Railway Labor Act to all interstate commerce organizations; replaced by the National Labor Relations Act.

National Institute for Occupational Safety and Health (NIOSH)

An agency that provides health and safety information upon request.

National Labor Code (NLC)

Collective reference for the National Labor Relations Act, the Labor-Management Relations Act and the Labor-Management Reporting and Disclosure Act.

National Labor Relations Act (NLRA)

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

National Labor Relations Board (NLRB)

Agency that has authority to conduct union representation elections and investigate unfair labor practices.

Needle Stick Safety and Prevention Act

A revision to the bloodborne pathogens standard that requires employers to minimize employees' exposure to blood through needle sticks through annual reviews and employee input.

Negative Emphasis

Type of interviewer bias; involves rejecting a candidate on the basis of a small amount of negative information.

Negligent Hiring

A common-law tort; defined as the hiring of an employee whom the employer knew or should have known, based on the employee's background, posed a risk to others in the workplace.

Negligent Retention

A common-law tort; defined as the retention of employees who engage in misconduct (wrongful acts) both during and after working hours.

No-Lockout Clause

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

Nominal Group Technique

Uses a variety of individuals associated with the industry to forecast ideas and assumptions.

Non-Directive

When the interviewer asks open questions and provides general direction.

Non-Duplication of Benefits

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

Non-Exempt Employees

Employees covered under FLSA regulations, including minimum wage and overtime pay requirements.

Non-Leveraged ESOP

Stock-ownership plan in which the company or employees make tax-deductible contributions to the plan; employees receive distribution at retirement or other times depending upon the terms of the ESOP.

Non-Qualified Deferred Compensation Plan

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

Non-Subscriber Plans

Workers' Compensation plans set up by employers/industries in place of their state's compensation plan.

Norris-LaGuardia Act

Guarantees the workers' right to organize and restricts the issuance of court injunctions in labor disputes.

No-Strike Clause

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

O

Occupational Illness

An abnormal condition or disorder, other than one resulting from an occupational injury, caused by exposure to environmental factors associated with employment.

Occupational Injury

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

Occupational Noise Exposure Standard

An OSHA standard that requires employers to reduce noise levels in the workplace if they exceed OSHA standard; also known as hearing conservation standard.

Occupational Safety and Health Act (OSHA)

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

Occupational Safety and Health Administration (OSHA)

Agency created within the Department of Labor to administer and enforce the Occupational Safety and Health Act of 1970.

Occupational Safety and Health Review Commission (OSHRC)

The group that rules on contested OSHA citations.

Offer Letter

Makes the hiring decision official; should immediately follow the final decision to hire a candidate; also known as employment offer.

Older Workers' Benefit Protection Act (OWBPA)

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

Ombuds

An ADR option; designates a neutral third party to confidentially investigate and propose settlements of employment complaints brought by employees.

Omnibus Budget Reconciliation Act (OBRA)

Act that reduced the compensation limits in qualified retirement programs.

Oncale v. Sundowner Offshore Service, Inc.

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

On-Call Pay

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

On-Call Workers

A type of flexible staffing option; employees who report to work only when needed.

Open Questions

Typically begin with what, where, why, when or how.

Open-Door Policy

An ADR option; encourages employees to meet with an immediate supervisor or manager to discuss workplace problems.

Organizational Exit

Describes the process of managing the way people leave an organization.

Organizational Feedback

The systematic presentation of data to groups with the intent of stimulating discussion of problem areas, generating potential solutions and stimulating motivation for change.

Organizational Picketing

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

Organizational Profile

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

Organizational Unit

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

OSHA Form 300

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

OSHA Form 300A

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

OSHA Form 301

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

Other-Than-Serious Violation

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

Out-of-Pocket Maximum

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

Outplacement

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

Outplacement Firms

External recruiting method; firms that provide support and assistance to displaced employees, including career counseling, resume preparation, interviewing workshops, job referral assistance and retraining.

Outsourcing

A type of flexible staffing option; an independent company with expertise in operating a specific function contracts with a company to assume full operational responsibility for the function.

Overtime Pay

Required for non-exempt workers under FLSA at 1.5 times the regular rate of pay for hours over 40 in a work week.

P

Paid-Time-Off (PTO) Bank

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

Paired-Comparison Method

Refers to a job ranking method in which evaluator compares each job with every other job being evaluated.

Panel Interview

Group or team interview of a job candidate.

Parachutes

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

Parallel Bargaining

Takes place when unions negotiate provisions covering wages and other benefits similar to those already provided in other agreements existing within the industry or region; also known as pattern bargaining.

Participative Management

Espouses the theory that every organization is a storehouse of talent that is recognized only if employees are allowed to contribute; employee input on important organizational issues is both asked for and valued.

Pattern Bargaining

Takes place when unions negotiate provisions covering wages and other benefits similar to those already provided in other agreements existing within the industry or region; also known as parallel bargaining.

Patterned Interview

When the interviewer asks each applicant questions that are from the same knowledge, skill or ability area; the questions, however, are not necessarily the same; also called a targeted interview.

Pay Compression

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

Pay Ranges

Associated with pay grades; they set the upper and lower bounds of possible compensation for individuals whose jobs fall in the range.

Pay Surveys

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

Payrolling

A type of flexible staffing option; when a company needing help identifies specific people and refers them to a staffing firm, which employs them and assigns them to work at the company.

Pension Benefit

Set up by ERISA to insure payment of defined benefit pension plan benefits in the event that a private-sector defined benefit pension plan terminates with insufficient funds to pay the benefits.

Pension Benefit Guaranty Corporation (PBGC)

Set up by ERISA to insure payment of defined benefit pension plan benefits in the event that a private-sector defined benefit pension plan terminates with insufficient funds to pay the benefits.

Percentiles

Show measures of dispersion, or how groups of data relate to each other.

Performance Bonus

One-time payment made to an employee; often called a lump-sum increase.

Performance-Based Pay

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

Performance-Sharing Plans

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

Perks

Special privileges for executives that are usually non-cash items; also known as perquisites.

Perquisites

Special privileges for executives that are usually non-cash items; also known as perks.

Personal Protective Equipment Standard

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

Personality Tests

Attempt to measure a person's social interaction skills and patterns of behavior; report what might be described as traits, temperaments or dispositions.

Person-Based Pay Systems

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

Placement Goals

Serve as objectives or targets in an affirmative action plan when the percentage of protected-class workers is less than is reasonably expected given availability.

Point-Factor Method

Most commonly used method of job evaluation; it involves using specific factors to evaluate job worth.

Polygraph Test

Measures a person's respiration, blood pressure and perspiration while they are asked a series of questions; the outcome is a diagnostic opinion about honesty; also called lie detector test.

Portal-to-Portal Act

Act that defines what is included as hours worked and is therefore compensable and a factor in calculating overtime.

**Predictive Validity**

A type of criterion-related validity; the degree to which the predictions made by a test are confirmed by the later behavior of test takers.

Pre-existing Conditions

Medical conditions that existed before a health-care policy is taken out.

Pregnancy Discrimination Act

Added to Title VII to prohibit discrimination on the basis of pregnancy, childbirth or related conditions.

Premium Pay

Extra pay for working holidays or vacation days.

Premium-Only Plans (POPS)

Type of Section 125 plan that allows employees to pay for certain qualified benefits with pretax dollars.

Pre-screening Interview

Useful when an organization has a high volume of applicants for a job and face-to-face interviews are needed to judge prequalification factors.

Prima Facie

Latin term for "on first view" or "at first appearance;" in an EEO case, when a plaintiff presents evidence of a prima facie case, the employer must articulate a legitimate, non-discriminatory reason for its decision.

Privacy Act

Specifies that a government entity must have a person's signed release before giving information about that individual to someone else.

Private-Letter Rulings

Rulings issued by the IRS to specific taxpayers or organizations who request an interpretation of the law.

Process Safety Management Standard

An OSHA standard that prevents or minimizes the effect of catastrophic releases of toxic, reactive, flammable or explosive chemicals.

Productivity-Based Pay

Pay based on the quantity of work and outputs that can be accurately measured.

Profit Sharing

Distributes a portion of an organization's profits to its employees.

Proprietary Information

Sensitive information that is owned by a company and that gives the company certain competitive advantages.

Protected Class

People who are covered under a particular federal or state discrimination law; groups protected by EEO designations include but are not limited to women, African-Americans, Hispanics, Native Americans, Asian-Americans, people age 40 or older, the disabled, veterans and religious groups.

Prudent Person Rule

States that an ERISA plan fiduciary has legal and financial obligations not to take more risks when investing employee benefit program funds than a reasonably knowledgeable, prudent investor would under similar circumstances.

Q

Qualified Deferred Compensation Plan

Retirement benefit offered to all employees in the organization; includes tax advantages and is protected under ERISA.

Qualified Domestic Relations Orders (QDROs)

A court judgment, order or decree that recognizes the existence of an alternate payee's right to receive all or a portion of the benefits payable under a pension plan.

Qualifying Event

Under COBRA, an event, such as termination for reasons other than gross misconduct, that allows employees to continue their group health-care coverage for a specified period of time.

Quartiles

Show measures of dispersion, or how groups of data relate to each other. There are four quartiles to any set of data, with 25% of the data falling in each quartile.

Quid Pro Quo Harassment

Type of sexual harassment that occurs when an employee is forced to choose between giving in to a superior's sexual demands or forfeiting an economic benefit such as a pay increase, promotion or continued employment.

Quota

Fixed hiring and promotion rates based on race, gender or other protected-class standards that must be met at all costs.

R

Rabbi Trust

A grantor trust designed to segregate non-qualified deferred compensation benefits from an employer's general accounts.

Realistic Job Preview (RJP)

Any part of the selection process that provides an applicant with honest and complete information about a job and the work environment.

Reasonable Accommodation

Modifying or adjusting a job application process, a work environment or the circumstances under which a job is usually performed to enable a qualified individual with a disability to be considered for the job and perform its essential functions.

Reasonable and Customary

A reimbursement standard used by insurance companies to determine how much providers should be paid for their services.

Recognition Programs

Consist of gifts, awards, trips, prizes and other forms of merit rewards that recognize individuals for their performance, special contributions or years of service.

Red-Circle Rates

Describe situations where employees' pay is above the range maximum.

Regents of the University of California v. Bakke

Court ruling that colleges and universities could legitimately consider race as a factor in the admissions process.

Rehabilitation Act

Prohibits discrimination based on physical or mental disabilities.

Reliability

A measure or predictor with a high degree of consistency.

Repeat Violation

A violation of an OSHA standard that is a repeat of a violation found in a previous inspection.

Repetitive Interview

When the interviewer asks every applicant the same questions; also called a structured interview.

Repetitive Stress Injuries (RSIs)

Injuries caused by repetitive motion that affect muscles, tendons, ligaments, joints, cartilage, blood vessels and spinal disks; also called musculoskeletal disorders (MSDs), cumulative trauma syndrome (CTS) or cumulative trauma disorders (CTDs).

Reporting Pay

Pay provided to employees who report for work as scheduled but then find that no work is available.

Resumes

Often prepared by candidates (or by a professional hired by the candidate) to highlight candidates' strengths and experience.

Retaliatory Discharge

The result of an employer "punishing" an employee for engaging in activities protected by the law (e.g., filing a discrimination charge, opposing unlawful employer practices).

Retirement Equity Act (REA)

Act that provided certain legal protections for spousal beneficiaries of qualified retirement plans.

Revenue Act

Act that added two sections to the Tax Code: Section 125 and Section 401(k).

Revenue Rulings

Rulings published by the IRS as general guidelines to all taxpayers.

Right-to-Work Legislation

Legislation that prohibits both the closed shop and the union shop.

S

Safety

Freedom from hazard, risk or injury.

Safety Committees

Composed of workers from different levels and departments who are involved in safety planning and programs.

Salary

Uniform amount of money paid to a worker regardless of how many hours are worked.

Salary Compression

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

Salary Continuation

Type of insurance that provides regular payments to the surviving spouse and dependent children in case of death or disability of a covered employee.

Salting

The process of using paid union organizers to infiltrate an organization and organize a company's workers.

Savings Incentive Match Plan for Employees (SIMPLE)

Retirement plan by which employees can contribute a set amount each year to their 401(k) plan or IRA.

Scanlon Plan

Group incentive plan developed by Joseph Scanlon; workers earn a bonus for increasing productivity.

School Board of Nassau v. Airline

Court ruling that persons with contagious diseases could be covered by the Rehabilitation Act of 1973; protection of the act prevents employers from discriminating against ailing persons.

School-to-Work Programs

External recruiting method; programs allowing organizations to partner with their communities and schools to help develop the skilled workforce they will need for the future.

Secondary Boycotts

Directed at the primary party through action against some third party.

Section 125 Benefit Plans

Written benefit plans maintained by the employer that allow employees to use pretax dollars to pay for certain qualified benefits.

Securities and Exchange Act

Act that regulated "insider trading."

Security

The reduction or elimination of the risk of loss of an organization's assets, property, employees and intellectual capital.

Selection

The process of hiring the most suitable candidate for a vacant position.

Selection Interview

Designed to probe areas of interest to the interviewer in order to determine how well the candidate meets the needs of the organization.

Self-Directed Team

A group of people that works in a self-managing way; typically assume complete autonomy.

Self-Insured Health-Care Plan

Health-care plan in which the employer assumes the role of the insurance company and assumes some or all of the risk.

**Seniority**

System that shows preference to employees with the longest service.

Serious Health Condition

As defined in the FMLA, a condition that requires inpatient hospital, hospice or residential care or continuing physician care.

Serious Violation

A violation of an OSHA standard that is likely to cause death or serious injury on the job.

Service Contract Act

Act that extended prevailing wage rate and fringe benefit requirements to employers providing services under federal government contracts.

Severance Package

Set of benefits provided to employees who are terminated for some reason other than cause; may be subject to ERISA depending upon terms and conditions.

Sexual Harassment

As defined by the EEOC, guidelines holding the employer responsible for the actions of its employees, stating that ". . . unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitute sexual harassment."

Sherman Anti-Trust Act

Dealt with court-issued injunctions; primarily directed at large monopolistic employers but applied by courts to the labor unions as if they were a monopoly.

Shift Pay

Refers to supplemental pay paid to employees who work less-desirable hours, such as second or third shifts.

Shop-Floor Participation

As related to international labor relations, a participatory management approach in which workers have the opportunity to identify problems and to help resolve them.

Short-Term Disability (STD) Coverage

Replaces a portion of lost income for a specified period of time for employees who are ill or have non-work-related injuries.

Sick Building Syndrome (SBS)

A situation in which building occupants experience acute health and comfort effects that appear to be linked to time spent in a building but no specific illness or cause can be identified.

Sick Leave

Specified period of time during which employees who are ill or have non-work-related injuries receive their full salary.

Simple Linear Regression

A projection of future demand based on a past relationship; involves a single variable (e.g., the relationship between employment level and a single variable related to employment).

Simplified Employee Pension (SEP)

Tax-deferred account to which the self-employed and employees of very small businesses can contribute.

Simulations

Representations of real situations in abstract form, often referred to as "what if" scenarios; give organizations the opportunity to speculate as to what would happen if certain courses of action were pursued.

Single Employer, Joint Employer, Alter Ego Doctrines

Issue of whether commonly owned businesses or affiliates are, in fact, a single employer, joint employer or "alter ego" of the primary employer; important in determining whether an employer is really secondary or neutral in a labor dispute.

Single-Rate Pay

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

Skill Banks

Internal recruiting method; computerized talent or skill inventories that can furnish a list of qualified people.

Skill Tracking Systems

Internal recruiting method; computerized talent or skill inventories that can furnish a list of qualified people.

Skill Variety

The extent to which the job requires a variety of different activities for successful completion.

Skip-Level Interviews

Practice in union-free organizations of encouraging managers to spend time with each employee two levels below him or her on an annual basis.

Slowdowns

Partial or intermittent strikes that are not protected, and employees who participate in them may be subject to discipline, including discharge.

Small Business Job Protection Act (SBJPA)

Act that made changes to rules regarding the ability of tax-exempt organizations to institute retirement plans modeled after 401(k) and IRA accounts and the definition of highly compensated employees.

Social Charter

As related to international labor relations, legislation pending before the European Union (EU) where employment conditions and practices would be standardized throughout the EU.

Social Security

Social Security Administration program that provides retirement, disability, death and survivor's benefits; it is taxed as a percentage of the employee's salary up to a yearly maximum with employer matching.

Split-Dollar Plans

Insurance plans in which the employer and the employee share in the premium payments; death benefits are paid to the employee's beneficiaries, and the employer receives a cash value over the death benefit.

St. Mary's Honor Center v. Hicks

Court ruling that for a plaintiff-employee to win a lawsuit for discrimination under Title VII, a jury must find that the defendant-employer's reason for an adverse employment decision was false and that the real reason for the decision was discrimination.

Standard Percent Raise

Pay adjustment given to employees regardless of their performance or company profitability; usually linked to inflation; also referred to as a cost-of-living adjustment (COLA).

State (Public) Employment Agencies

External recruiting method; agencies that provide employee screening, testing and referral at no cost to the employer.

State Plans

Safety and health policies and procedures that states have adopted and have been approved by OSHA.

Statutory Bar

A situation in which the NLRB will bar a petition for an election; when a valid election has been conducted within the previous 12 months in the same unit.

Step-Rate System with Variability-Based Performance Considerations

Pay system that is similar to the time-based system, but the size or timing of increases may vary if performance is substantially above or below standard.

Stereotyping

Type of interviewer bias; involves forming generalized opinions about how people of a given gender, religion or race appear, think, act, feel or respond.

Stop-Loss Coverage

Insurance policy that protects employers with self-funded insurance plans by limiting individual and group-wide claims.

Straight Piece-Rate System

Refers to a pay system where the employee receives a minimum wage and is awarded additional compensation based on output.

Stress

The mental and physical condition that results from a real or perceived threat and the inability to remove it or cope with it.

Stress Interview

When the interviewer assumes an aggressive posture to see how the candidate responds to stressful situations; used extensively in law enforcement, air traffic control and similar high-stress industries.

**Strike**

A refusal by employees to work.

Structured Interview

When the interviewer asks every applicant the same questions; also called a repetitive interview.

Substance Abuse Tests

Measures intended to ensure a drug-free workplace.

Suggestion Systems

Offer individual employees the opportunity to provide management with ideas for improving the workplace or any of its processes.

Sunset Clause

Refers to the identified time period and ending point that should be identified in incentive pay plans.

Supplemental Unemployment Benefits (SUB)

Benefits paid to unemployed workers beyond required government unemployment benefits.

Supplemental Wages

Refers to pay beyond base salary or wages such as bonuses and commissions.

Survivor's Benefits

Monthly benefits paid under Social Security to eligible dependents of deceased workers.

Sympathy Strike

A strike by employees of a bargaining unit who refuse to cross picket lines made up of employees who are not members of their bargaining unit.

T

Taft-Hartley Act

Provides a balance of power between union and management by making union unfair labor practices unlawful; also known as Labor-Management Relations Act (LMRA).

Tagout

Refers to signs or labels attached to equipment to warn others not to activate it.

Tardiness

Refers to time lost when employees report to work late.

Targeted Interview

When the interviewer asks each applicant questions from the same knowledge, skill or ability area; the questions, however, are not necessarily the same; also called a patterned interview.

Task Force

A temporary grouping of personnel and resources working towards a particular task, project, or activity, especially assigned in a particular capacity.

Task Identity

The extent to which the job requires a "whole," identifiable unit of work.

Task Significance

The extent to which the job has a substantial impact on other people.

Tax and Trade Relief Extension Act

Act that amends the Work Opportunity Tax Credit to reduce employer federal tax liability.

Tax Reform Act

Act that made significant changes in employee benefit programs, especially retirement plans.

Taxable Wages

Includes all remuneration for services (including non-cash benefits) and wages, which are taxable when paid.

Taxman v. Board of Education of Piscataway

Court ruling that a non-remedial affirmative action plan cannot form the basis for deviating from the antidiscrimination mandate of Title VII.

Taxpayer Relief Act (TRA)

Act that created tax-advantaged savings mechanisms, including Roth IRAs and Education IRAs, for individual taxpayers.

Team

A set of two or more people who are equally accountable for the accomplishment of a purpose and specific performance goals.

Telecommuters

People who either work from home or from a remote location; a general mode of operation encompassing many job categories (e.g., computer programmers, writers, editors, graphic artists, salespeople).

Telecommuting

The process of working via electronic computing and telecommunications equipment.

Teratogens

Products that affect a fetus but not the pregnant mother.

Third-Party Administrator (TPA) Health-Care Plan

Health-care plan in which the employer assumes the risk of high health-care costs and hires an independent claims department to handle claims.

Threat of Reprisal

Any threat, whether overt or subtle, that is intended to or can reasonably be construed to intimidate or coerce employees to act in a certain way or punish them for not acting in a certain way.

Time-Based Differential Pay

Refers to pay rates that are affected by when an employee works.

Time-Based Step-Rate Pay Systems

Pay is based on longevity in the job, and pay increases occur on a predetermined schedule.

TIPS

Acronym used by many labor management attorneys and consultants that covers most of the unfair labor practice pitfalls a supervisor can run into (e.g., don't Threaten, Interrogate, Promise or Spy).

Title VII of the Civil Rights Act of 1964

Prohibits discrimination or segregation based on race, color, national origin, religion and gender in all terms and conditions of employment.

Top Hat Plan

Non-qualified deferred compensation plan designed to provide retirement benefits to a select group of management or highly compensated employees.

Tort

A wrongful act, damage or injury done willfully, negligently or in circumstances in which a person, their property or their reputation is harmed.

Total Compensation

Refers to all forms of financial returns that employees receive from their employers.

Travel Pay

Typically paid to non-exempt workers for the time they spend traveling to or between work assignments.

Trend and Ratio Analyses

Using statistics to determine whether relationships exist between two variables.

Tripartite Panel

A three-member arbitration board; one member represents management, one represents the union and one is a neutral arbitrator.

Tuberculosis (TB)

An airborne contagious disease caused by a bacterial infection.

Turnover

Normally expressed as a percentage and is computed as follows: $\text{Number of separations} / \text{Total number in the workforce} = \text{Turnover}$.

U

Unemployment Compensation Amendments (UCA)

Imposed a mandatory 20% federal income tax withholding requirement on qualified retirement plan proceeds that a recipient intends to roll over into another qualified retirement plan or individual retirement account.

Unemployment Insurance

Mandatory benefits program set up as part of the Social Security Act that is designed to provide a subsistence payment to employees between jobs.

Unfair Competition

A common-law tort dealing with employment contracts or employment agreements that contain covenants not to compete after the termination of the employment relationship.

Unfair Labor Practice (ULP)

A violation of a statutory right under labor-relations statutes.

Uniform Guidelines on Employee Selection Procedures

Procedural document designed to assist employers in complying with federal regulations prohibiting discrimination.

Uniformed Services Employment and Reemployment Rights Act (USERRA)

Act that requires benefit continuation and crediting of service while an employee is on military active duty.

Union

A formal association of employees that promotes the interests of its membership through collective action.

Union Shop Clause

States that when workers take jobs in a specific bargaining unit, they must join the union within a certain period of time.

United Airlines v. Sutton

Case in which the Supreme Court ruled that a person may not have a disability if the individual's condition is controlled or corrected by medication or mitigating measures.

United Steelworkers v. Weber

Court ruling in the private sector dealing with reverse discrimination charges; upheld that Title VII allows for voluntary, private, race-conscious programs aimed at eliminating racial imbalance in traditionally segregated job categories.

Unsafe Acts

Incidents that result from unsafe behavior on the part of the employee, such as operating equipment at high speeds.

Unsafe Conditions

Mechanical or physical hazards that may lead to injury, such as defective equipment or improper lighting.

Utilization

Affirmative action plan term referring to the difference between the availability of members of a protected class and an organization's job group makeup; underutilization is having a smaller proportion of women or minorities than is indicated by their availabilities.

Utilization Analysis

Part of an affirmative action plan that compares the percentages of minorities and women in each job group with the rates of availability for each group.

Utilization Review

Audit of health-care use and charges to identify which benefits are used and to make certain that care is necessary and costs are in line.

V

Validity

The degree to which inferences made from an interview or a test are correct and accurate.

Variable Pay

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

Vertical Integration

Increases the depth of a job by adding responsibility for planning, organizing, controlling and evaluation; also known as job enrichment.

Vesting

Process by which a retirement benefit becomes non-forfeitable.

Vicarious Liability

Legal doctrine that holds an organization responsible for the wrongful acts of another; means that employers are legally responsible for the discriminatory acts of their employees.

Vietnam Era Veterans Readjustment Assistance Act

Prohibits discrimination against certain veterans by the U.S. government and federal contractors.

Voluntary Arbitration

When both parties willingly submit differences to the arbitration process.

Voluntary Deductions

Payroll deductions selected by the employee such as charitable contributions.

Voluntary Protection Program (VPP)

A voluntary group of employers that promotes and recognizes effective safety and health programs.

Voluntary-Recognition Bar Voluntary Subjects

A situation in which the NLRB will bar a petition for an election; when a reasonable period after the union has been informally recognized by the employer has not elapsed; those collective bargaining items that may be bargained but are not obligatory.

Vulnerabilities

Security risk factors.

W

Wage Garnishment Act

Prohibits employers from terminating an employee for one single indebtedness, even if that single debt results in repeated garnishments from the creditor.

Wagner Act

Protects the rights of employees to organize unhampered by management; also known as National Labor Relations Act (NLRA).

Walsh-Healey Act

Act that extended the concept of prevailing wage to employers who manufacture or supply goods under government contracts and required time and a half.

Washington v. Davis

Court ruling that even though a test has an adverse impact against a protected class, the test is legal if it is job-related.

Weighted Average

Average of data that takes other factors such as the number of incumbents into account.

Weingarten Rights

An employee's right to have a union representative or coworker present during an investigatory interview.

Welfare-to-Work Tax Credit

Income tax credit to encourage employers to hire long-term welfare recipients.

Wellness Programs

Preventive health programs offered by employers designed to improve the health and physical well-being of employees both on and off the job.

Whistle Blowing

Occurs when employees disclose allegedly illegal or illegitimate practices under the control of their employers to persons or organizations that might be able to take corrective action.

Wildcat Strikes

Work stoppages involving the primary employer-employee relationship that are neither sanctioned nor stimulated by the union.

**Willful Violation**

A violation of an OSHA standard that is considered intentional; most serious OSHA violation.

Work Councils

As related to international labor relations, groups of workers and management representatives charged with examining how to improve company performance, working conditions, job security, etc.

Work Opportunity Tax Credit (WOTC)

Income tax credit to encourage employers to hire people from targeted groups.

Work Rule

Reflects management decisions regarding specific actions to be taken - or avoided - in a given situation.

Worker Adjustment and Retraining Notification Act (WARN)

Requires some employers to give a minimum of 60 days' notice if a plant is to close or if mass layoffs will occur.

Workers' Compensation

State insurance program paid for by employers; designed to protect workers in cases of work-related injuries or diseases related to workers' employment.

Workforce Analysis

Part of an affirmative action plan that provides data on the proportion of current employees in protected classes by job title, from highest to lowest paid, within a department or business group.

Work-Related Disability

Physical condition (accident or illness) that is caused, aggravated, precipitated or accelerated by a work activity or the work environment.

Work Week

Any fixed, recurring period of 168 hours (7 days x 24 hours = 168 hours).

X**Y****Yellow-Dog Contracts**

Contracts that force employees to agree not to join a union or participate in any union activity as a condition of employment.

Z**Zipper Clause**

Contract stipulation in which both parties waive the right to demand bargaining on any matter not dealt with in the contract, whether or not that matter was contemplated when the contract was negotiated or signed.