

Glossary

TERM	DEFINITION
ADA (U.S. examinees only)	Americans with Disabilities Act
ADAAA (U.S. examinees only)	Americans with Disabilities Act Amendments Act
ADDIE	Analysis, design, development, implementation, evaluation model; a five-step instructional design framework that guides the design and development of learning programs.
ADEA (U.S. examinees only)	Age Discrimination in Employment Act
ADR	Alternative dispute resolution; an umbrella term for the various approaches and techniques (other than litigation) that can be used to resolve a dispute, such as arbitration, conciliation and mediation.
analytics	Tools that add context or subclassifying comparison groups to data so that the data can be used for decision support.
applicant	Person who applies for or formally expresses interest in a position.
arbitration	Method of alternative dispute resolution (ADR) by which disputing parties agree to be bound by the decision of one or more impartial individuals to whom they submit their dispute for final determination.
assessment center	Process by which job candidates or employees are evaluated to determine suitability and/or readiness for employment, training, promotion or an assignment.
ATS	Applicant tracking system; a software application that automates organizations' management of the recruiting process, such as accepting application materials and screening applicants.
balance sheet	Statement of an organization's financial position at a specific point in time, showing assets, liabilities and shareholder equity.

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balanced scorecard	Performance management tool that depicts an organization's overall performance as measured against goals, lagging indicators and leading indicators.
benchmarking	Process by which an organization identifies performance gaps and sets goals for performance improvement by comparing its data, performance levels and/or processes against those of other organizations.
benefits	Mandatory or voluntary payments or services provided to employees, which typically cover retirement, health care, sick pay/disability, life insurance and paid time off (PTO).
BFOQ <i>(U.S. examinees only)</i>	Bona fide occupational qualification; a factor (such as gender, religion or age) that is reasonably necessary, in the normal operations of an organization, to carry out a particular job function.
bias	A partiality or an inclination or predisposition for or against something.
business case	Tool or document that defines a specific problem, proposes a solution and provides justifications for the proposal in terms of time, cost-efficiency and probability of success.
business intelligence	Raw data (which may be internal or external to an organization) that is translated into meaningful information for decision-makers to use in taking strategic action.
business unit	Element or segment of an organization that represents a specific business function, such as accounting, marketing or production; also may be called department, division, group, cost center or functional area.
buy-in	Process by which a person or group provides a sustained commitment in support of a decision, approach, solution or course of action.
candidate experience	Perception of a job seeker about an employer based on interaction during the complete recruitment process.
career development	Progression through a series of employment stages characterized by relatively unique issues, themes and tasks.

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career mapping	Process by which organizations use visual tools or guides to depict prototypical or exemplary career possibilities and paths in terms of sequential positions, roles and stages.
career pathing	Process by which employers provide employees with a clear outline for moving from a current to a desired position.
cash flow statement	Statement of an organization's ability to meet its current and short-term obligations by showing incoming and outgoing cash and cash reserves in operations, investments and financing.
center of excellence	Team or structure that provides expertise, best practices, support and/or knowledge transfer in a focused area.
CEO	Chief executive officer
CFO	Chief financial officer
change initiative	Transition in an organization's technology, culture, or behavior of its employees and managers.
change management	Principles and practices for managing a change initiative so it is more likely to be accepted and to receive the resources necessary (such as financial, human, physical, etc.) to reshape the organization and its people.
CHRO	Chief human resource officer
coaching	Focused, interactive communication and guidance intended to develop and enhance on-the-job performance, knowledge or behavior.
COBRA <i>(U.S. examinees only)</i>	Consolidated Omnibus Budget Reconciliation Act
code of conduct	Document that summarizes the standards of business conduct for an organization, such as rules, values, ethical principles and vision.

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comparable worth	Concept that jobs that are primarily filled by women and require skills, effort, responsibility and working conditions comparable to similar jobs primarily filled by men should have the same classifications and salaries.
competencies	Clusters of highly interrelated attributes, including knowledge, skills, abilities and other characteristics (KSAOs), that give rise to the behaviors needed to perform a given job effectively.
compliance	State of being in accordance with all national, federal, regional and/or local laws, regulations, and/or other government authorities and requirements applicable to the places in which an organization operates.
conciliation	Method of nonbinding alternative dispute resolution (ADR) by which a neutral third party tries to help disputing parties reach a mutually agreeable decision, such as mediation.
conflict of interest	Situation in which a person or organization may potentially benefit, either directly or indirectly, from undue influence due to involvement in outside activities, relationships or investments that conflict with or have an impact on the employment relationship or its outcomes.
COO	Chief operating officer
cost-benefit analysis	Approach to determining the financial impact of an organization's activities and programs on profitability by comparing value created against the cost of creating that value.
critical path	Amount of time needed to complete all required elements or components of a task, which is determined by taking into account all project-task relationships.
CSR	Corporate social responsibility; an organization's commitment to operate ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local and global community.
culture	Basic beliefs, attitudes, values, behaviors and customs shared and followed by members of a group, which give rise to the group's sense of identity.
diversity	The differences between individuals on any attribute that may lead to the perception that another person is different from the self.

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due diligence	Requirement to thoroughly investigate an action before it is taken through diligent research and evaluation.
EAP	Employee assistance program
EEOC <i>(U.S. examinees only)</i>	Equal Employment Opportunity Commission
e-learning	Electronic media delivery of educational and training materials, processes and programs.
emotional intelligence	Ability to be aware of, control and express one's emotions and to handle interpersonal relationships judiciously and empathetically.
employee engagement	Employees' emotional commitment to an organization, which is demonstrated by their willingness to put in discretionary effort to promote the organization's effective functioning.
employee experience	Sum of all touchpoints an employee has with an employer, including those related to an employee's role, workspace, manager and well-being.
employee surveys	Instruments that collect and assess information on employees' attitudes and perceptions of the work environment or employment conditions, such as engagement or job satisfaction.
employees	Individuals who exchange their work for wages or salary.
EPA <i>(U.S. examinees only)</i>	Equal Pay Act
equality	Equal treatment of individuals and groups.
equity	A relative form of equality that takes into consideration the needs and characteristics of the individuals, the context of the situation, and circumstances that result in disparate outcomes.

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ERISA <i>(U.S. examinees only)</i>	Employee Retirement Income Security Act
ethics	Set of behavioral guidelines that an organization expects employees at all levels to follow to ensure appropriate moral and ethical business standards.
evidence-based	Approach to evaluation and decision-making that utilizes data and research findings to drive business outcomes.
EVP	Employee value proposition; employees' perceived value of the total rewards and tangible and intangible benefits they receive from the organization as part of employment, which drives unique and compelling organizational strategies for talent acquisition, retention and engagement.
exit interview	Meeting held with an employee who is about to leave an organization, typically to discuss the employee's reasons for leaving and the employee's experience of working for the organization.
FCRA <i>(U.S. examinees only)</i>	Fair Credit Reporting Act
FLSA <i>(U.S. examinees only)</i>	Fair Labor Standards Act
FMLA <i>(U.S. examinees only)</i>	Family and Medical Leave Act
focus group	Small group of invited individuals (typically six to 12 people) who actively participate in a structured discussion in which a facilitator elicits input on a specific product, process, policy or program.
gap analysis	Method of assessing a current state to determine what is needed to move to a desired future state.
gig economy	Free market system in which temporary positions are common and organizations hire independent workers for short-term commitments instead of full-time employees.

TERM	DEFINITION
GINA <i>(U.S. examinees only)</i>	Genetic Information Nondiscrimination Act
globalization	Status of growing interconnectedness and interdependency among countries, people, markets and organizations worldwide.
governance	System of rules and processes set up by an organization to ensure its compliance with local and international laws, accounting rules, ethical norms, internal codes of conduct, and other standards.
hazard	Potential harm that is often associated with a condition or activity that, if left uncontrolled, can result in injury or damage to people or property.
HIPAA <i>(U.S. examinees only)</i>	Health Insurance Portability and Accountability Act
HR	Human resources
HR service model	Approach to structuring and delivering an organization's HR services to support organizational success.
HRBP	HR business partner; an HR professional who advises an organization's leaders in developing and implementing a human capital strategy that closely aligns with overall organizational mission, vision and goals.
HRIS	Human resource information system used for gathering, storing, maintaining, retrieving, revising and reporting relevant HR data.
HRM	Human resource management
inclusion	Extent to which each person in an organization is and feels welcomed, respected, supported and valued as a team member.
individual development plan	Document that guides employees toward their goals for professional development and growth.

TERM	DEFINITION
information management	Use of technology to collect, process and condense information for the purpose of managing the information efficiently as an organizational resource.
integrity	Adherence to a set of ethical standards that reflect strong moral principles, honesty and consistency in behavior.
IT	Information technology
job analysis	Process of systematically studying a job to identify the activities/tasks and responsibilities it includes, the personal qualifications necessary to perform it, and the conditions under which it is performed.
job description	Document that describes a job and its essential functions and requirements, such as knowledge, skills, abilities, tasks, reporting structure and responsibilities.
job enlargement	Process of broadening a job's scope by adding different tasks to the job.
job enrichment	Process of increasing a job's depth by adding responsibilities to the job.
job evaluation	Process of determining a job's value and price to attract and retain employees by comparing the job against other jobs within the organization or against similar jobs in competing organizations.
KPI	Key performance indicator; a quantifiable measure of performance that gauges an organization's progress toward strategic objectives or other agreed-upon performance standards.
KSAOs	Knowledge, skills, abilities and other characteristics.
labor union	Group of workers who formally organize and coordinate their activities to achieve common goals in their relationship with an employer or group of employers, such as a trade union.
lagging indicator	Type of metric describing an activity or change in performance that has already occurred.
leadership	Ability to influence, guide, inspire or motivate a group or person to achieve their goals.

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leadership development	Interventions designed to help an individual gain the knowledge, skills, abilities and other characteristics (KSAOs) needed to engage with people and persuade them to work toward a vision or goal.
leading indicator	Type of metric describing an activity that can change future performance and predict success in the achievement of strategic goals.
liabilities	Organization's debts and other financial obligations.
LMRA <i>(U.S. examinees only)</i>	Labor Management Relations Act
M&A	Merger and acquisition; a process by which two separate organizations combine, either by joining together as relative equals (merger) or by one procuring the other (acquisition).
manager development	Interventions designed to help an individual gain the knowledge, skills, abilities and other characteristics (KSAOs) required to manage people and resources to deliver a product or service.
measurement	Process of collecting, quantifying and evaluating data.
mediation	Method of nonbinding alternative dispute resolution (ADR) by which a neutral third party tries to help disputing parties reach a mutually agreeable decision, such as conciliation.
mentoring	Relationship in which one person helps guide another's development.
mission statement	Concise outline of an organization's strategy that specifies the activities it intends to pursue and the course its management has charted for the future.
MNC	Multinational corporation
motivation	Factors that initiate, direct and sustain human behavior over time.
negotiation	Process by which two or more parties work together to reach agreement on a matter.

TERM	DEFINITION
NLRA (U.S. examinees only)	National Labor Relations Act
offshoring	Method by which an organization relocates its processes or production to an international location through subsidiaries or third-party affiliates.
onboarding	Process of integrating a new employee with a company and its culture, as well as getting a new hire the tools and information needed to become a productive member of the team.
organizational effectiveness	Degree to which an organization is successful in executing its strategic objectives and mission.
organizational learning	Acquisition and/or transfer of knowledge within an organization through activities or processes that may occur at several organizational levels; ability of an organization to learn from its mistakes and adjust its strategy accordingly.
organizational values	Beliefs and principles defined by an organization to direct and govern its employees' behavior.
orientation	Process by which new employees become familiar with the organization and with their specific department, co-workers and job.
OSHA (U.S. examinees only)	Occupational Safety and Health Administration (agency)
OSH Act (U.S. examinees only)	Occupational Safety and Health Act (law)
outsourcing	Process by which an organization contracts with third-party vendors to provide selected services or activities instead of hiring new employees.
performance appraisal	Process of measuring and evaluating an employee's adherence to performance standards and providing feedback to the employee.
performance management	Tools, activities and processes that an organization uses to manage, maintain and/or improve the job performance of employees.

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performance measures	Data or calculations comparing current performance against key performance indicators (KPIs).
performance standards	Behaviors and results defined by an organization to communicate the expectations of management.
PESTLE analysis	Political, economic, social, technological, legal and environmental analysis; a method used to assess external factors and their influence on an organization.
position	Scope of work roles and responsibilities associated with one or more people.
PTO	Paid time off
realistic job preview	Tool used in the staffing/selection process to provide an applicant with honest, complete information about the job and work environment.
recruitment	Process by which an organization seeks out candidates and encourages them to apply for job openings.
regulation	Rule or order issued by an administrative agency of government, which usually has the force of law.
reliability	Extent to which a measurement instrument provides consistent results.
remediation	Process by which an unacceptable action or behavior is corrected.
remote work	Work that is completed away from a company's office or other dedicated workspace (also known as telework).
remuneration	Total pay in the form of salary and wages received in exchange for employment, such as allowances, benefits, bonuses, cash incentives and monetary value of noncash incentives.
remuneration surveys	Instruments that collect information on prevailing market compensation and benefits practices such as base pay, pay ranges, starting wage rates, statutory and market cash payments, paid time off (PTO), and variable compensation.

TERM	DEFINITION
repatriation	Process by which employees returning from international assignments reintegrate into their home country's culture, conditions and employment.
restructuring	Act of reorganizing the legal, ownership, operational or other structures of an organization.
retention	Ability of an organization to keep its employees.
risk	Uncertainty that has an effect on an objective, where the effect may include opportunities, losses and threats.
risk management	System for identifying, evaluating and controlling actual and potential risks to an organization, and which typically incorporates mitigation and/or response strategies, including the use of insurance.
ROI	Return on investment; data or calculation comparing an investment's monetary or intrinsic value against expended resources.
selection	Process of evaluating the most suitable candidates for a position.
sense of belonging	Extent to which individuals feel that they are a part of, included in and connected with people at their organization.
shared services	Self-service or call center operations that promote HR expertise and deliver improved services across an organization.
Six Sigma/Lean Six Sigma	A set of techniques and tools for process improvement that aim to increase quality by decreasing defects in processes. Lean Six Sigma also aims to increase speed by eliminating waste.
social media	Internet technology platforms and communities that people and organizations use to communicate and share information, opinions and resources.
socialization	Process by which people learn the knowledge, language, social skills, culture and values of a group or organization.

TERM	DEFINITION
sourcing	Process by which an organization generates a pool of qualified job applicants.
stakeholders	People affected by an organization's social, environmental and economic impact, such as customers, employees, local communities, regulators, shareholders and suppliers.
stay interviews	Structured conversations with employees for the purpose of determining which aspects of a job, such as culture, engagement, leadership, organization and satisfaction, encourage employee retention or may be improved to encourage retention.
strategic management	System of actions that leaders take to drive an organization toward its goals and objectives.
strategic planning	Process of setting goals and designing a path toward organizational success.
strategy	Plan of action for accomplishing an organization's overall and long-range goals.
succession planning	Process of implementing a talent management strategy to identify and foster the development of high-potential employees or other job candidates who, over time, may move into leadership positions of increased responsibility.
sustainability	Practice of purchasing and using resources wisely by balancing economic, social and environmental concerns toward the goal of securing present and future generations' interests.
SWOT analysis	Strengths, weaknesses, opportunities, threats analysis; a method for assessing an organization's strategic capabilities through the environmental scanning process, which identifies and considers the internal and external factors that affect the achievement of organizational goals and objectives.
systems thinking	Process for understanding how seemingly independent units within a larger entity interact with and influence one another.
talent management	System of integrated HR processes for attracting, developing, engaging and retaining employees who have the knowledge, skills, abilities and other characteristics (KSAOs) to meet current and future business needs.
totalization agreements	Bilateral agreements between countries that are created for the purpose of eliminating double taxation of employees on international assignments.

TERM	DEFINITION
training	Process by which employees are provided with the knowledge, skills, abilities and other characteristics (KSAOs) specific to a task or job.
transformational leadership	Leadership style that focuses on challenging and developing members of an organization to attain long-range results through continuous evolution, improvement or change based on the leader's vision and strategy.
transparency	Extent to which an organization's agreements, dealings, information, practices and transactions are open to disclosure and review by relevant individuals.
turnover	Rate at which employees leave a workforce.
ULP <i>(U.S. examinees only)</i>	Unfair labor practice; a violation of employee rights that is prohibited under U.S. labor-relations statutes.
unfair labor practice	A violation of employee rights that is prohibited under global labor-relations statutes.
validity	Extent to which a measurement instrument measures what it is intended to measure.
value	Measure of usefulness, worth or importance.
variance analysis	Statistical method for identifying the degree of difference between planned and actual performance or outcomes.
vision	Description of what an organization hopes to attain and accomplish in the future, which guides it toward that defined direction.
VP	Vice president
WARN Act <i>(U.S. examinees only)</i>	Worker Adjustment and Retraining Notification Act

TERM	DEFINITION
work/life integration	Approach to create harmony among all areas of life, such as work, home/family, community, personal well-being and health.
workforce planning	Strategic process by which an organization analyzes its current workforce and determines the steps required for it to prepare for future needs.
workspace solution	Modification of a job, jobsite or way of doing a job so an individual with a disability has equal access to opportunity in all aspects of work and is able to perform the job's essential functions.