

Appraisal

Formal communication process to evaluate performance and plan how to proceed.

Arbitration, Conciliation, and Advisory Service (ACAS)

A state body in the UK that works to prevent and resolve workplace disputes.

Assessment centre

This selection method usually involves some simulation of the main tasks involved with the job, thus giving candidates a degree of insight as to what a post involves. Tests can vary in length from half a day to three or more days, and can take place at an external centre or be run by the prospective employer.

Assets

Properties of organizations that have value and can add value, including employees; they can be tangible or intangible.

Best fit

These models are based on the idea that different kinds of people management are needed for different kinds of business conditions. Competitive advantage is therefore gained when HRM policies and practices 'fit' the organization's strategy, labour market, and other factors such as company structure and size.

Best practice

A particular set of HRM practices that engender improved performance for all organizations. These are sometimes referred to as high-commitment HRM, high-involvement HRM, or high-performance work systems. They can take a universalistic approach or focus on the ways in which HRM practices are bundled together.

Broadbanding

Compressing the number of grades in a graded pay strategy to a smaller number of bands in order to increase pay flexibility and managerial discretion.

Bureaucracy

A way of coordinating organizational activities based on formal rules and procedures, rigid managerial hierarchies, and the specialization of job roles.

Bureaucratic dysfunctionalism

The adverse consequences of bureaucratic organization, particularly where it is applied zealously.

Business process re-engineering (BPR)

An approach to organizational change based on redesigning processes in a way that adds value to the business, particularly by eschewing rigid and unwieldy bureaucracy.

Capability procedure

A formal procedure to manage and support employees who are underperforming.

Collective bargaining

This term is used to refer to the process by which pay and other conditions of employment are negotiated by an employer, or employers' association, and one or more trade unions.

Communities of practice

These are formed by people who engage in a process of collective learning in a shared endeavour such as a workplace.

Competence

Employee capability-based combination of attitude, skills, and experience.

Consequentialism

The perspective on ethics that looks for good or bad in the consequences of a proposed action.

Consultation

A form of workplace and organizational decision-making under which managers submit their proposals to employees, or their representatives, to gauge their views, but retain the right to make the final decision.

Contestable market

A term normally applied to product markets; it relates to the ease with which new firms can enter, and existing firms can exit, a market or industry.

Continuing professional development (CPD)

This is a process whereby skills and knowledge are continuously updated and extended.

Convergence

The growing degree of uniformity in HRM practices across national borders, as stimulated by globalization.

Corporate social responsibility (CSR)

An approach that recognizes that business owes duties to society as a whole, represented by the various stakeholder groups both inside and outside the firm.

Democracy

A system of government normally based on elections, with virtually all adults having the right to influence government policy, including the laws that are passed.

Deontology

The view of ethics as duties or principles—good or bad is evident in the act itself, irrespective of the consequences.

Direct discrimination

Refers to situations where an employer treats an employee less favourably than others on account of some aspect of his or her social characteristics, such as age or gender.

Disciplinary procedure

A formal arrangement that enables managers to deal with alleged poor performance or misconduct of their staff.

Diversity management

An approach to dealing with workplace inequality which emphasizes how organizations can recognize, and benefit from, individual differences among their staff.

Downsizing

The reduction of organizational levels, functions, and job roles with the aim of streamlining operations and realizing efficiency savings.

Early retirement

A method of making workforce reductions whereby older employees are encouraged to retire earlier than planned with the offer of an appropriate financial incentive.

Effectiveness

The extent to which an intention is achieved.

Efficiency

To achieve something with minimum waste or effort.

E-learning

Refers to the delivery of training, learning, or development programmes by range of electronic media such as CD-ROM, DVD, the Internet, or company intranets.

Emotional labour

A term used to describe a form of work that requires the employee either to suppress or to stimulate emotions to suit the organization's ends—as witnessed in jobs such as nursing or in-flight attendants. It is increasingly built into the design of many jobs and job training, and can also involve the employee proving his or her worth, loyalty, and commitment by engaging continuously and successfully in such emotional performances.

Employee Assistance Programmes (EAPs)

Counselling and assistance interventions provided by a third party and directed at staff in an organization.

Employee involvement

Managerial interventions, such as direct communication techniques, that are designed to encourage greater organizational commitment from employees.

Employee referral scheme

These schemes usually involve existing staff being offered a cash incentive to recommend contacts to fill vacancies within the company.

Employment benefits

Financial rewards other than pay—for example, holidays, pensions, staff discounts, and pensions.

Employment tribunal

A body that adjudicates upon disputes between employers and employees in the UK.

Empowerment

The devolution of some supervisory tasks from managers to workers, with the latter given more discretion over their jobs.

Equal opportunity

The provision of a level organizational playing field on which all staff are treated the same, regardless of their social characteristics, with regard to recruitment, selection, promotion decisions, etc.

Ethnocentric

An approach to HRM in multinational companies that focuses on the dominance of home country practices throughout their foreign subsidiaries.

Evolutionary approaches

These approaches towards strategy formation argue that markets will ensure that it will only be the best performers who survive—whatever methods managers adopt in developing strategy. It is often likened to the Darwinian ideas of survival of the fittest.

Expatriate

An employee, generally a manager, who is assigned, usually on a temporary basis, to work in a foreign location.

Extrinsic

Reward bestowed on the employee and normally tangible, such as pay, holidays, and pensions.

Feedback

communication of information that informs an individual or group about their performance.

360 degree feedback

Feedback from superiors, subordinates, peers, and customers that provides a 'rounded' impression of performance.

Final salary pensions

A pension that has defined benefits and is calculated using years of service and final pay.

Financial rewards

Pay and employment benefits.

Fiscal policy

A government's policies on its taxation, expenditure, and overall budget with the aim of managing economic activity.

Flexible benefits

An arrangement whereby employees can select from a portfolio of employment benefits according to personal need.

Forward diffusion

The transfer of HRM practices from the home base of a multinational company to its subsidiaries in foreign locations.

Geocentric

An approach to HRM in multinational companies that focuses on the dissemination of best practice on a global basis.

Globalization

A set of processes (economic, financial, political, and social) that are causing countries of the world to be increasingly integrated and interdependent.

Goal displacement

A form of bureaucratic dysfunctionality that refers to situations where an excessive concern with complying with formal rules directs managerial attention away from the activities that advance the interests of the organization.

Graded pay

A pay strategy where jobs are ranked according to an evaluation of their relative worth to the organization and employees are paid at the rate for the job following a process of job evaluation.

Grievance procedure

A formal arrangement for handling complaints from employees concerning their treatment at work.

Harassment

Unwanted conduct that violates a person's dignity or creates an intimidating, hostile, degrading, humiliating, or offensive environment.

High-performance work practices (HPWPs)

Work practices associated with increasing effectiveness and efficiency, resulting in increased performance and productivity.

Holistic

As a whole—that is, including all components.

Human relations

An approach to managing people at work that holds that increased levels of employee motivation and commitment are best secured by recognizing their social needs.

Human Resource Management

HRM can refer to all the varied activities involved in managing people in organizations. It also denotes a specific approach towards this activity, seeing it as operating from a managerial perspective, and often argues for the need to establish a series of integrated personnel policies designed to achieve the organization's strategic goals.

Hybridization of pay strategies

The design of a pay strategy that incorporates elements of graded pay, market-related pay, and performance-related pay.

Indirect discrimination:

The use of apparently neutral criteria or practices, which means that people with particular social characteristics are treated less favourably than others, and which cannot be justified on objective grounds.

Industrial relations

A term that can be used to refer to relations between three main parties in the employment relationship: trade unions, management, and government. Within this definition, specific attention may be directed towards industrial conflict or its regulation through the formulation of work rules or agreements.

Inflation

A continuous rise in the general level of prices in an economy.

Institutional framework

The political, legal, educational, and business systems of particular countries.

Intangible

Something difficult to define, characterize, and measure.

Integration

To include and connect components—for example, work processes and practices in a system.

Intrinsic reward

A 'feel-good' reward such as praise and recognition, challenging work, and a degree of empowerment.

Job descriptions

These are written statements that describe job duties, the most important contributions and outcomes needed from a position, the required qualifications, and the post's reporting relationships.

Job evaluation

A systematic process whereby jobs in an organization are ranked according to their relevant importance.

Joint regulation

A term that is used to refer to the process by which terms and conditions of employment are determined jointly as a result of bargaining between employers, or employers' associations, and one or more trade unions.

Knowledge management

This term refers to the process of systematically and actively managing and leveraging the stores of knowledge in an organization.

Labour market

Where organizations that wish to hire a particular type of labour meet individuals who wish to supply the particular type of labour services, normally for financial gain.

Lean manufacturing

This term is often associated with just-in-time production methods, which avoid the bulk holding of stock and shorten times to market, as well as with continuous improvement or kaizen, problemsolving teams, instant problem rectification, and powerful first-line supervision.

Learning organization

'An organization which facilitates the learning of all its members and continuously transforms itself' (Pedler, Burgoyne, and Boydell 1989:2).

Libertarianism

A view of life that advocates freedom above all—the best solution is the one that safeguards the freedom of individuals to choose for themselves.

Line manager

This is a term given to a manager who has direct responsibility for employees and their work.

Macroeconomy

All the economic activity that occurs within a country's boundaries, plus the involvement of a country's organizations and citizens overseas.

Managerial prerogative

The right of managers to exercise unilateral control over workplace relations.

Market-related pay

A pay strategy where the 'going rate' for a job within the labour market is established following the gathering of labourmarket intelligence. It rewards employees according to their commercial worth.

Migration

The geographical movement of people from one area to another where they settle permanently.

Monetary policy

Money supply or interest rate policies normally carried out by a central bank on behalf of government with the aim of managing economic activity.

Money purchase pensions

A pension that has defined contributions, but the pension will be dependent on level of investment, investment performance, and annuity rates at the time of retirement.

Multi-employer bargaining

This term applies to situations where collective bargaining takes place between a collective group of employers, usually in the form of an employers' association and one or more trade unions.

Multinational company (MNC)

A firm that operates in more than one country, particularly as an employer.

Natural wastage

A method of making workforce reductions that involves not replacing staff when their positions become vacant.

New pay

A term that describes the contemporary emphasis in reward of aligning organizational strategy with pay strategy.

Non-financial rewards

Intrinsic rewards relating to self-actualization, desirable work, and work–life balance opportunities.

Occupational health and safety

A term that is used to refer to the health and safety issues that affect people in their jobs.

Off -the-job learning

This form of learning takes place away from the workplace and is often associated with internally or externally provided courses but can also refer to other modes of learning such as planned experiences with suppliers, competitors, or collaborators.

On-the-job learning

Refers to processes of training and development that occur through doing aspects of the job the trainee holds. This can involve a wide range of methods from observation to workplace-based assignments.

Organizational culture

The unwritten symbols, values, and beliefs that exist within organizations.

Organizational misbehaviour

Behaviour in organizations that does not correspond to managerial expectations or standards.

Organizational structure

Formal arrangements for dividing up job roles and other organizational activities vertically, through managerial hierarchies for example, and also horizontally according to function, business orientation, or territory.

Organizational wellness

A phrase that is used to capture the notion that employee well-being and organizational success complement each other.

Outcomes

Individual or organization consequences that have wider consequences than outputs and that can relate to learning and development.

Outplacement services

External firms that specialize in providing advice and support to workers affected by redundancy.

Outputs

Measurable individual or organization achievement based on quantified objectives.

Partnership agreement

A term used to describe a formal relationship between an employer and a union that is based on the importance of cooperation and shared interests, rather than conflict.

Performance

A combination of effectiveness and efficiency in changing from an initial state to another state, or in completing a specified action or task.

Performance management

Methods or interventions utilized to improve individual and organization performance.

Performance-related pay

A pay strategy where an assessment of individual employee performance determines the level of pay for a job. It rewards employees according to their individual worth.

Person specification

This is derived from the job description and translates the components of it into the skills and abilities needed to perform the job effectively.

Personnel management

A term used with reference to a specialist organizational function or department responsible for determining and enacting all policies and procedures that determine the various aspects of employment from recruitment and selection through to termination of employment. It is also a term used to describe a particular approach to people management prior to and coexisting with the arrival of HRM. See Storey's twenty-seven points of difference as an example as to the ways in which personnel management was typified.

Pluralism

A perspective on employment relations that recognizes conflict is an inherent factor in the employment relationship. Employers and employees may have conflicting interests, but these can be resolved to the mutual benefit of both by means of formal procedures—in particular, bargaining relationships with trade unions.

Polycentric

An approach to HRM in multinational companies that focuses on the way in which their subsidiaries adapt their practices to respond to national-level circumstances.

Positive action

The use of measures, such as targets, designed to improve the employment and organizational prospects of people from disadvantaged social groups.

Positive discrimination

Refers to the actions taken by organizations whereby people who belong to disadvantaged social groups are given preference in relation to recruitment, selection, promotion, etc.

Post-bureaucracy

An approach to understanding organizations that emphasizes the greater flexibility and decentralization that mark their activities, and the more limited role for formal rules, procedures, and managerial hierarchies.

Privatization

The complete or partial sale of publicly (i.e. government) owned organizations to private-sector individuals or companies.

Process

An action or activity that produces change (transformation), and has inputs and outputs—for example, appraisal process.

Processual approaches

This sees strategy as emerging in incremental steps over time.

It acknowledges the bounded rationality involved in decision-making and therefore sees strategy formation as the product of political compromise.

Product market

The coming together of sellers and buyers of goods or services with the aim of completing the sale of the item from a supplier to a purchaser.

Productivity

A measure of performance relating output to a defined time period.

Psychometric tests

This term refers to standardized procedures that attempt to quantify some psychological attribute or attributes of an individual such as sensitivity, memory, intelligence, aptitude, or personality.

Rational planning approaches

This is usually depicted as occurring at corporate, strategic business unit, and operational level, using a range of assessments to arrive at objectives.

Recruitment

This is a process aiming to attract a pool of suitably qualified candidates for a given position. Successful recruitment will result in the possibility of selecting and appointing a candidate to a post.

Redeployment

A method of effecting workforce reductions in one part of an organization by transferring staff elsewhere in the same organization, often with appropriate retraining.

Redundancy

A method used by employers to dismiss employees in circumstances where fewer staff are needed to undertake a particular set of work activities.

Repatriation

The process of returning a member of staff undertaking an international assignment to his or her home-country environment.

Repetitive strain injury (RSI)

A term that is used to refer to a range of different upper-limb disorders, often, but not always, caused by fast or repetitive finger, hand, or arm movements.

Resource-based view

This view holds that organizations have unique bundles of assets, and access to these, coupled with the company's ability to make effective use of them, provides the source of competitive advantage within the marketplace. The resource in question must add value, be unique or rare, be inimitable, and not be capable of substitution by another resource by competing firms.

Return on investment (or shareholder return)

The amount of money returned to individuals or groups that invest in an organization compared with the initial amount invested.

Return-to-work interview

A meeting between an individual employee and a manager following every instance of absence.

Reverse diffusion

The transfer of HRM practices from the subsidiary of a multinational company to its home base and throughout the firm as a whole.

Reward

A contemporary HR term signalling that employees come to work for more than just pay.

Reward strategy

The alignment of reward policies and practices with the strategic direction of the organization in order to elicit managerially desired behaviours and performance from employees.

Scientific management

An approach to managing work in organizations that holds that efficiency is best gained by dividing up jobs into narrow tasks and getting appropriately trained workers to do them under a regime of strict managerial control, with the prospect of financial reward as the main motivation to work hard.

Selection

This activity is concerned with applying appropriate techniques and methods with the view to select, appoint, and then induct a competent person or persons into a job.

Shareholder value approach

A view of the business purpose that sees a business as having the main objective of maximizing the wealth of its shareholders, normally through identifying and exploiting profitable opportunities for the business in competitive markets.

Shop steward

A term that is often used in the UK to refer to unpaid union representatives in the workplace.

Stakeholder approach

An alternative view of the business purpose that acknowledges the interests of groups outside the business that may be affected by the company (for example, employees and customers, as well as shareholders), and suggests that managers should attempt to balance those interests.

Stakeholders

A term used to describe and encompass all those having an interest—financial or otherwise—in the actions of an organization and its members.

Strategy

The simplest definition of strategy sees it as the characteristic ways a company copes with engaging in business; the more complex view sees strategy as being concerned with the long-term direction and scope of an organization, and how it secures competitive advantage and fulfils stakeholder expectations by the way it configures resources at its disposal (see Chapter 2).

Strike

The temporary withdrawal of labour by a group of workers, undertaken in order to express a grievance or to enforce a demand.

Survivor syndrome

A term used to describe the negative consequences of redundancy exercises on the motivation, morale, commitment, and performance of remaining staff.

System

A collection of connected integrated processes—for example, a performance management system.

Systematic training cycle

This term describes a means of structuring training and development activity through engagement in four interrelated activities: needs analysis, design, delivery, and evaluation.

Systemic approaches

Systemic approaches highlight the importance of national, regional, and local factors such as culture, legislation, and so on to strategy formation.

Tangible

Something easily defined, characterized, and measured.

Teamworking

Arrangements that allow workers collectively to organize and operate their work activities themselves.

Technology

The use of knowledge, particularly scientific knowledge, in the design and/or production of goods and services.

Total quality management (TQM)

A method of manufacturing a product or delivering a service in which quality is built in at all stages, and responsibility for quality shared by all staff.

Total reward

A holistic term to describe a combination of pay, employment benefits, and non-financial (intrinsic) rewards.

Trade union

A membership organization comprised mainly of workers that is principally concerned with representing their interests at work and in society at large.

Transformational change

Large-scale change that may not have a clearly defined end-state—for example, modernization of public services.

Unemployment

Often measured as a percentage of the labour force, it is the number of people who are not in work but are actively seeking work.

Union recognition

The act of an employer who agrees to enter into a formal relationship, usually involving collective bargaining, with a trade union.

Unitary

A perspective on employment relations that emphasizes the harmony of interests that exists between employers and their employees.

Utilitarianism

A form of consequentialist ethics that requires us to seek actions that are likely to result in the greatest good for the greatest number.

Validity

Selection methods possess face validity if, on the face of it, they seem to assess the areas that the test purports to measure and are relevant to the job. A selection method has a high construct validity if it is based on sound evidence or underpinning theory.

VET

This is short for vocational education and training and is concerned with ensuring that the nation achieves the levels of skills it needs. VET policies and practices are, therefore, focused on facilitating their development.

Victimization

Unfavourable treatment experienced by an employee, or a group of employees, as a result of their making a complaint at work.

Virtue

A desirable character trait that lies between two undesirable extremes. For example, the virtue of courage can be said to lie between cowardice and foolhardiness.

Vision

Well-defined idea of a desired or intended future situation that can be made explicit as a starting point for strategy development.

Voluntarism

In the training and development context, voluntarism refers to government approaches that let employers decide the degree of investment they want to make in this domain.

Voluntary redundancy

A method of effecting redundancies in which staff are encouraged to leave employment with an organization of their own accord with the promise of an attractive financial settlement.

Whistle-blowing

The act of an employee who seeks to draw attention to something bad that is being done by his or her organization.

Work-related stress

The physical and psychological ill-health effects caused or exacerbated by the characteristics and pressures of jobs.