

8975 Glossary

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12b-1 fee

A mutual fund's ongoing charge for promotion

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401(k) plan

An employee-sponsored, tax-deferred retirement plan

403(b) plan

A tax-deferred retirement plan available to employees of non-profit organizations

457 plan

A tax-deferred retirement plan available to state and local government employees

A

ABC principle

A method used to rank goals in order of importance; goals identified with an "A" are most important, "B" signifies somewhat important, and "C" represents least important

Absolute advantage

The advantage achieved when a nation can produce a good or service at a lower cost than another nation

Abstract

Theories or words that describe things which are not objects and may have different meanings to different people, such as hope or happiness

Acceptance

A risk-response strategy that involves accepting a risk's consequences because the potential payoff is higher than the losses; also known as risk retention or assumption

Accommodating

A negotiating style involving a person who agrees to a certain course of action that benefits someone else, even though s/he does not equally benefit from the transaction

Accountability

Accountability

The condition of having to answer for or be liable for your actions

Accountant

An individual who has had specialized training in accounting procedures

Accounting

The process of keeping and interpreting financial records

Accounting cycle

A process or series of steps that businesses complete to maintain their financial records effectively

Accounting fraud

A company or organization's knowing publication of incorrect information on its financial statements

Accounting standards

Rules that accountants must follow when preparing financial statements

Accounting system

The methods and procedures used in consistently handling the business's financial information

Accounts payable

All monies owed by the business to others

Accounts receivable

All monies owed to a firm by its customers

Accrual accounting method

A method of accounting that records transactions at the time they occur even if no money changes hands at the time

Achievement behavior

One of the four main leadership styles; leading by setting challenging goals for followers to reach and providing feedback

Achievement orientation

A drive to accomplish one's goals and to meet or achieve a high standard of success

Acknowledgement response

Simple verbal utterances or words and nonverbal cues used by a listener to communicate understanding to a speaker

Acquisition

The process of taking possession of something, e.g., acquiring another business by purchasing it

Acquisition of funds

Finance activity involving making decisions about financing

Active listening

Using nonverbal cues, paraphrasing, questioning, and other techniques to let a speaker know that a message has been heard and understood

Active management

A style of mutual fund management that involves hands-on research and high volumes of trading

Actuary

A person who assesses risk using statistical analysis and helps design policies to minimize the cost of that risk

Adaptability

Flexibility; the ability to adjust to changing conditions

Adjust

To fit; to adapt yourself effectively to a particular set of circumstances

Administration of assets

Finance activity involving making decisions about a firm's investments

Administrative services

A career area in which employees facilitate business operations through a wide range of duties, including information and communication management, data processing and collection, and project tracking

Administrative skills

The ability to perform essential, routine business tasks such as organizing, planning, filing, billing, computing, etc.

Advertisement

Any paid form of nonpersonal presentation of ideas, images, goods, or services

Advertising

Any paid form of nonpersonal presentation of ideas, goods, or services

Advertising fees

Monies spent to make the public aware of products or services

Advertising media

Channels of communication used by businesses for delivering promotional messages to target groups of consumers

Advocacy

Word-of-mouth promotion and referrals from a business's current customers to its potential customers

Affinity fraud

An investment scam in which the scammer claims to be a member of the group s/he is targeting; often a Ponzi or a pyramid scheme

AFL-CIO

The American Federation of Labor and Congress of Industrial Organizations; federation of North American labor unions founded in

Age

The number of years a person has lived

Agency shop

A union security agreement in which nonunion members are required to pay dues

Agents

Intermediaries who assist in the sale and/or promotion of goods and services but do not take title to them

Aggregate demand

Total demand for an economy's goods and services

Aggression

Feelings of anger and disrespect for others that may lead to aggressive behavior

Aggressive behavior

Conduct based on a willingness to ignore the rights of others and to take advantage of them to achieve personal goals

Aggressive investor

An investor with a high tolerance for risk

Aggressiveness

An attitude based on feelings of aggression

Agility

The ability to change and adapt quickly

Agreement

A negotiation outcome

Alertness

Being aware of what's going on around you at all times

Alteration

A product-mix strategy in which a business makes changes to its products or product lines

Alternate behaviors

Habits that are developed or actions that are taken to better cope with stressful situations

Alternative planning

The process of anticipating others' possible negotiation strategies and preparing appropriate responses

Alternative resource

A resource that can be used in place of another

Alternative-press newspapers

Papers that serve younger, trendier crowds interested in the arts and entertainment

Altruistic

Concerned with others' welfare

Amateurs

Participants who are not paid to play a sport

Amends

Restoration for damage or wrongdoing

Americans with Disabilities Act of 1990

A law that protects workers with physical and/or mental disabilities from discrimination

Analyst (investment)

A financial professional who researches and examines investment information, often recommending "buy," "hold," or "sell" responses

Anecdotes

Short explanations of interesting or amusing incidents

Angel investor

An individual who provides financing to an entrepreneur in exchange for equity in the business

Annual fee

An amount of money charged on a yearly basis for the privilege of using certain kinds of credit

Annual percentage rate (APR)

Rate of interest expressed as a yearly percentage

Annual report

A document outlining the financial status of a business

Anonymous

Unnamed; not known by name

Anticipate

To foresee; to expect ahead of time

Appendix

A segment added to the end of a document; includes supporting information

Appraisal costs

The costs associated with inspecting and catching defective products as quickly as possible

Appreciative inquiry (AI)

A problem-solving method that encourages us to look at problems in a different way; instead of focusing on what is broken, we focus on what is working and figure out how to expand that success

Apprentice

A union worker who is just beginning in an occupation

Approachability

An attitude or demeanor that says, "You can talk to me."

Arbitration

The act of settling a dispute by using an uninvolved third party

Arbitrator

A person who assists in negotiations

Argumentative customers

Customers who seem to disagree, question, or look for errors in almost everything and everybody

Arrogance

An inflated sense of self-importance

Articles of incorporation

A document outlining a corporation's name, purpose, location, amount of stock to be issued, names of the board of directors, and other information about the conditions under which the business will operate; must be filed by a business to obtain a charter

Ask (sell) price

The lowest price at which the seller will sell a stock or share

Aspiration

A dream; an ambition

Assembly line

A production method in which the product moves past workers who each do one assigned production task

Assertive behavior

Conduct based on respect for your own rights and for the rights of others

Assertiveness

The ability to express yourself, communicate your point of view, and stand up for your rights, principles, and beliefs

Assess

To evaluate, analyze, or review

Asset

Anything of value that a business or individual owns

Asset allocation

Diversification by investment type (equity, fixed-income, or cash)

Asset management ratio

A class of financial ratios that measures how efficiently a company manages its assets; also known as efficiency ratios

Asset record

A document about something of value that a business owns

Asset-management fee

A payment structure in which a broker receives a certain percentage of the value of the money s/he controls for you; usually 1.5%

Asset(s)

Anything of value that a business or individual owns

Assets

Anything of value that a business owns

Assumption close

A closing technique in which the salesperson takes for granted that the customers agree with all that has been said in the presentation and that they will buy

Assurance

The confidence customers have that a service provider is trustworthy and knowledgeable

Attack behavior

Aggressive behavior that is like a personal attack on others

Attainable goal

A reachable goal

Attitude

The way a person looks at life

Attribute listing

a creative-thinking method that involves listing the characteristics or attributes of something and then finding ways to improve these attributes

Audit

Process by which an organization's accounts and records are verified

Audit report

A document that describes the accuracy and appropriateness of a business's information, processes, and/or systems

Authenticity

Being genuine and sincere; not being fake

Authoritarian managers

Managers who prefer to exercise a high degree of control over their subordinates; tend to see themselves as the sole source of authority

Authority

Power to influence or control the opinions or behavior of others

Autocratic leadership

A dictatorial leadership style in which the leader relies on her/his positional authority within the organization to ensure that closely-supervised employees do exactly as they are told to achieve required results

Automation

A production method in which machines do tasks automatically

Avatar

A graphical representation of a person or company that is used in web environments including virtual worlds and chat rooms

Avoidance

A risk-response strategy that involves choosing not to do something that is considered risky

Avoidant

A conscious effort to withdraw or stay away from a situation; a negotiating style that is used when relationships and outcomes are not important or when one party has another plan to meet his/her needs or wants

B

Baby Boomers

A term used to refer to individuals who were born between the years 1946 and 1964

Back-up plan

Alternate way to carry out a project

Bait-and-switch advertising

Promoting a low-priced item to attract customers to whom the business then tries to sell a higher priced item

Balance of payments

The difference between all monies coming into and going out of a country

Balance of trade

The difference between the value of a nation's exports and its imports

Balance sheet

A financial statement that captures the financial condition of the business at that particular moment

Balanced fund

A pool of shareholders' money invested in both stocks and bonds; also called a hybrid fund

Balanced or Moderate investor

An investor who is willing to tolerate some risk, but not high risk

Bank credit card

A type of credit issued by banks that enables the cardholder to make purchases nationwide (examples = Visa and MasterCard)

Banking services

A career area in which employees are primarily concerned with accepting deposits, lending funds, and extending credit to bank customers

Bankruptcy

A state of debt that cannot be resolved

Banner

A large section of fabric-like material with text and/or visuals expressing a promotional message

Banner advertisements

Promotional messages appearing on the Internet, usually at the top of web sites

Bargaining

A negotiating technique that involves giving another party something s/he wants, and receiving something desired, in return

Barrier

Anything that blocks the way or makes it more difficult to accomplish something

Barrier to (market) entry

Anything that blocks the way or makes it more difficult to enter a particular market

Batch production

The production of items in specific amounts, or batches

BATNA

The best alternative to a negotiated agreement; determining which issues are non-negotiable and which issues are open to compromise before entering a negotiation

Bear market

A condition of the stock market in which stock prices are falling

Beginning cash balance

The amount of money a business has available at the beginning of each month

Behavior

The manner in which individuals act; conduct

Behavior pattern

The manner in which a person consistently reacts, or responds, in various situations

Behavioral segmentation

The division of a market on the basis of customers' response to a product

Benchmark

Something that provides a basis for comparison or evaluation

Benefit

An advantage or a help

Benefits

Advantages or payments employees receive in addition to their wages, e.g., sick time, holiday pay, health insurance

Better Business Bureau

A consumer organization that monitors complaints against businesses

Better Business Bureau (BBB)

A consumer-action agency that collects and disseminates information on business reliability and alerts the public to potential fraud situations

Bias

Prejudice

Bid price

The price others are willing to pay for a bond at a particular time

Bilk

Cheat, swindle, defraud

Bisexual

An individual whose sexual preference is directed toward members of both sexes

Blog

A web site regularly updated (by a person or group) with information or opinions

Blue-chip company

A large, established company known for its quality and its reputation for paying dividends

Blueprint

Detailed plan

Board of directors

A group of people chosen to govern the activities of a corporation

Body language

Gestures, facial expression, tone of voice, or any other form of communicating without words; often called "silent language"

Bond

A piece of paper (whether real or virtual) that says a governing body or corporation will borrow an investor's money at a particular interest rate for a particular period of time

Bond fund

A pool of shareholders' money invested in bonds

Bond rating

The ranking of bond issuers according to their risk of default; the letter score assigned to a company based on the financial responsibility it has demonstrated

Bond table

Table that tells a bond's issuer, coupon, maturity date, bid price, and/or yield

Bonds

Lending investments in which individuals lend money to a government, municipality, or corporation to earn a set rate of interest for a specified time period

Bone structure

A person's body type or build, related to the size of one's bones

Bonus close

A closing technique in which customers are offered something extra for buying immediately

Book value

The value of a company from an accounting point of view; calculated by subtracting liabilities and sometimes intangibles, such as patents, from assets; also known as stockholders' or shareholders' equity

Bookkeeping

The steps of the accounting cycle that involve recording each business transaction; the process of analyzing financial transactions, journalizing transactions, posting to ledgers, and balancing the books

Bottom line

Net outcome

Boycott

A union pressure strategy in which union members refuse to buy a company's products and encourage others to do the same

Brain drain

The situation that exists when a country or region loses its talented employees to other jobs overseas

Braindrawing

a brainstorming technique that involves developing random sketches and doodles and then relating the drawings to an issue or problem

Brainstorm

To use a creative-thinking technique involving the identification of as many different ideas as possible during a certain time frame; can be done by one person but is used most often in a group setting

Brainstorming

A creative-thinking technique involving the identification of as many different ideas as possible during a certain time frame; can be done by one person but is used most often in a group setting

Branch manager

In banking, a person who oversees all the functions of a particular branch, including hiring personnel and resolving customer complaints

Brand

All the combined impressions and experiences associated with a particular company, good, or service

Brand ambassadors

Individuals, usually employees, who communicate the company's values, vision, and personality to those they have contact with

Brand champion

The person in a business who is responsible for making the brand come alive and for sustaining it; usually the business owner, president, or CEO.

Brand competition

Competition between two similar products

Brand cues

Elements that remind customers and employees of brands and their values

Brand erosion

The deterioration or destruction of a corporate or product brand

Brand extension

The brand strategy of using successful brands to introduce new products

Brand identifiers

Company or product names and logos

Brand identity

Those elements that are instantly recognized as representing a particular business

Brand image

Impressions of a corporate brand within customers' minds which represent what the brand stands for

Brand insistence

The stage of brand loyalty in which consumers insist upon buying a specific brand

Brand licensing

The legal authorization by a brand owner to allow another company to use the brand in exchange for a fee

Brand loyalty

Customers' allegiance to a particular brand

Brand mark

A distinctive symbol, design, sound, or group of letters which is seen or heard but cannot be spoken

Brand name

The part of a brand which can be spoken, such as a word, a phrase, a letter, a number, or any combination of these

Brand personality

The projection of a corporate brand that encompasses its values and emotional connections with consumers

Brand positioning

A branding strategy in which marketers create a certain image or impression of a brand as compared to those of competitors' brands

Brand preference

The stage of brand loyalty in which consumers prefer to purchase a certain brand but will accept substitutes if the brand is not available

Brand promise

A business's agreement (spoken or unspoken) with customers that it will consistently meet their expectations and deliver on its brand characteristics and values

Brand recognition

The stage of brand loyalty in which consumers are made aware of a brand's existence

Brand strategies

The actions a business takes with a brand in order to accomplish its goals

Brand value

A belief or quality that a brand stands for and is built around

Brand values

Core values; beliefs or qualities that a corporate brand stands for and is built around

Branded product

An item that features only the logo of the manufacturer and not another company's trademark

Branding

The ongoing decision-making process about the use of brands

Break-Even Point

The level of sales at which revenues equal total costs

Breakthrough project

A risky business endeavor that uses entirely new technology

Bribe

An illegal payment intended to secure business or products in return

Bribery

Making illegal payments intended to secure business or products in return

Broad product mix

A description of the width of a business's product mix offering many product lines

Broadcast media

Promotional media including radio and television that may be transmitted through the air, cable, or Internet

Brochure

An informative marketing piece, usually displayed and/or distributed

Broker

A person who is authorized to buy and sell securities on an exchange

Brokerage house

A firm that offers various investing services, such as securities trading, research analysis, and advice

Budget

An estimate of income and expense for a specific period of time

Budget credit account

A form of short-term credit often set up for 60- or 90-day periods with a payment due every 30 days

Builders

A type of producer that constructs roads, bridges, buildings, or houses

Bull market

A condition of the stock market in which stock prices are rising

Bundle

A combination of goods and/or services grouped together and offered as one product

Bundling

A marketing strategy that involves offering several products for sale as one combined product

Burned out

Overly stressed and exhausted

Burnout

A type of exhaustion that is usually caused by too much stress

Bus/Car wrap

A form of out-of-home advertising; involves partially or completely covering a vehicle with an advertisement, turning the bus or car into a mobile billboard

Business

An organized effort to produce and/or distribute goods and services

Business continuity

An organization's ability to function after a disaster

Business cycles

Periods of expansion and contraction in economic activities

Business ethics

The basic principles that govern a business's actions

Business image

The view or opinion that customers have about a business

Business information technology

An umbrella term covering those careers that provide a bridge between business processes/initiatives and IT (information technology)

Business license

A document that grants permission to operate a business

Business magazines

Magazines that appeal primarily to members of the business community

Business model

The company's method or plan for making money

Business operations

The day-to-day activities needed for continued business functioning

Business plan

A company's blueprint for success; shows how the business works now and how it is intended to work in the future; the written business model

Business policies

Statements outlining practices the business follows, such as warranties and maintenance contracts

Business process management

A business strategy that stresses technology, innovation, and flexibility to align an organization's objectives and activities with customer needs

Business productivity

The amount of goods or services produced by a business from a set amount of resources

Business record

A document containing information about a business's operations and its finances

Business risk

The possibility of loss (failure) or gain (success) inherent in conducting business

Business sector

A segment of the economy that does not include government, private citizens, or nonprofit institutions

Business structure

The company's configuration of employees for accomplishing specific business tasks; how the business is organized

Business-format franchise

A franchise arrangement in which the franchisee must operate under the trade name of the parent company that provides continuous assistance in setting up and operating the business

Business/Feasibility analysis

Examining such factors as demand, costs, competition, capital investment required, and potential profit of a product or service to determine how it will fit into the company's product mix

Buy (bid) price

The highest price at which a buyer is willing to purchase a stock or share

Buy and hold strategy

An investing approach that encourages staying in the market for the long term

Buy low and sell high strategy

An investing approach that encourages purchasing securities at a low price and selling them at a high price

Buy-and-hold strategy

An investing approach that encourages staying in the market for the long term

Buyer's market

The best time for consumers to buy; characterized by large supply, small demand, and low prices

Buying decision

A small or "mini" decision that a customer makes which leads to the final decision to buy a good or service

Buying motives

The reasons or benefits that cause people to make purchases to satisfy wants and needs; customer's reason for buying goods or services; why people buy

C

Call reports

Records of salespeople's meetings or contacts with customers

Callable bonds

Bonds that can be repaid before their maturity date at the request of the borrower

Canadian Securities Administrators

A forum for the 13 securities regulators of Canada's provinces and territories that regulates the market and protects investors

Candlestick chart

A graph that shows a security's open and close prices for the day and its highest and lowest prices for the day in comparison to the days around it; used in technical analysis

Cannibalization

The situation that exists when the sale of one of a company's products takes away sales from another of its products

Cap-size (or market capitalization)

An indicator of the size of a public company, as measured by the total dollar value of its stock; calculated by multiplying share price by number of outstanding shares; companies are often categorized as smallcap, mid-cap, or large-cap, though the specific dollar categories vary by source

Capital

Assets of a business

Capital appreciation

An increase in the price of the stock you own

Capital budgeting

A process in which a firm's financial managers determine which projects it should invest in

Capital gains

Earnings from the appreciation of a stock investment

Capital gains tax

Tax on earnings from the appreciation of a stock investment

Capital goods

Manufactured or constructed items that are used to produce goods and services

Capital investment

The amount of money the business has invested in its goods and other property

Capital investment decisions

Decisions that determine which projects a business will invest in, how the investment(s) will be financed, and whether or not to pay dividends to shareholders

Capital structure

The organization of the influx and outflow of the company's money, including where the money goes on a regular basis; how a business pays for its operations

Capital-intensive process

A conversion process that depends on the use of equipment

Carbon footprint

A measure of the impact of human activity on the environment

Cardiovascular

Relating to your heart and blood vessels

Case history

A detailed account of the benefits received from the use of a product, given by an identified product user

Case study

An intense analysis of a person, group, or event

Cash

Currency and coins

Cash accounting method

An accounting method in which income and expenditures are recorded at the time the money changes hands

Cash conversion cycle

Ratio that refers to the number of days between a company's paying for raw materials and receiving cash from selling the products made from those raw materials

Cash flow

The movement of funds into and out of a business; determines the amount of cash the business has to work with at any given time

Cash flow statement

A financial summary with estimates as to when, where, and how much money will flow into and out of a business

Cash flow statement:

A financial summary that states how much money has flowed into and out of a business

Cash payments

The money that a business spends, e.g., business expenses

Cash receipts

The money that a business collects, e.g., business income

Cash surplus

The situation that exists when more flows into a business than flows out

Casual Fridays

A dress-code trend in business for employees to dress more informally than usual on Fridays

Catalyst

An agent that provokes or speeds significant change or action

Causal research

Marketing research that focuses on cause and effect and tests "what if" theories; also known as conclusive research

Cause-and-effect order

A way of organizing that emphasizes the relationship between events and their consequences

Celler-Kefauver Antimerger Act

A federal regulation intended to protect competitors from takeovers that would limit competition

Census

A count or measure of every single unit in a target population

Central planning

Detailed economic processes and goals developed by government; usually associated with communist economies

Central Registration Depository (CRD)

A computerized database containing information about most brokers, including complaints filed and education and work history

CEO

Chief executive officer of a business

Certificates of deposit

Lending investments in which individuals lend money to a bank to earn a set rate of interest for a specified period of time

CFA

(Chartered Financial Analyst): A professional designation for people who evaluate companies and industries and make recommendations to buy, sell, or hold certain securities

CFP

(Certified Financial Planner): A professional designation for personal financial advisors requiring a combination of education, examinations, and experience

Chain of command

The flow of authority within an organization; also called line of command

Challenge

An obstacle or problem; something that might hinder the achievement of goals

Chamber of commerce

A local organization of businesses and companies that make known to the government the recommendations of the business community on issues and problems affecting the local economy

Change

To transform or make different; to alter the form, nature, content, or future course of something

Change to Win Coalition

A federation of North American labor unions founded in 2005

Change-management plan

In project planning, a document that contains strategies for handling unforeseen changes that may occur during the project (e.g., a natural disaster)

Channel length

The total number of channel members in a channel of distribution

Channel management

Processes by which marketers ensure that products are distributed to customers efficiently and effectively

Channel members

Businesses or individuals who assist in moving goods and services from the producer to the consumer

Channels of distribution

Paths, or routes, that goods or services take from the producer to the ultimate consumer or industrial user

Chargeback

A financial penalty a middleman assesses a producer for a variety of issues, such as receiving damaged merchandise

Charter

A permit issued to operate a corporation; also known as a certificate of incorporation

ChFC

(Chartered Financial Consultant): A professional designation for personal financial advisors requiring a combination of education, examinations, and experience, with an emphasis on retirement and estate planning

Chief risk officer (CRO)

An executive responsible for a business's risk management activities, which include planning, controlling, preventing, and limiting of business losses and enhancing possibilities for gain

Choice close

A closing technique in which the salesperson helps the customer reach a buying decision by reducing the number of items from which to choose, and then asking the customer to choose between the remaining ones

Chronic

Happening over and over again

Chronological order

A way of organizing that puts information in sequence according to time

Churning

An unethical practice in which a broker encourages an investor to make excessive trades just so s/he can collect the commission fees from each one

Clarification

The process of making something clear and understandable

Clayton Act

A federal regulation intended to prevent specific business actions that might prohibit competition, e.g., tying agreements and exclusive agreements

Client loyalty

The devotion of a client to a particular business

Clientele

A body of customers upon which an organization can rely for considerable repeat business

Close

The point in the selling process at which the customer makes a favorable buying decision

Closed-end mutual fund

Fund with a set number of shares to be issued, determined before the fund is ever established

Closed-response question

A question that can be answered with “yes” or “no”

Closing on objection

A closing technique in which a salesperson answers a customer’s objection so that the customer no longer has a reason not to buy

Closing price

The last stock price of the day; also called the close

Cloud storage

Online storage that enables users to upload, store, and access their files via the Internet; users’ files are maintained by a third-party at a remote database storage facility

Cluster

In probability sampling, a non-overlapping subpopulation determined by geography

Cluster sampling

A probability sampling method in which researchers divide the target population into non-overlapping subpopulations that are determined by geography, and then randomly sample each one

Co-branding

A brand strategy that involves businesses joining forces for mutual benefit and to increase brand recognition, customer loyalty, and sales for both brands

Coaching

Enabling other people to reach their true potential by helping them to overcome the barriers that are keeping them from doing so

Code of ethics

A set of rules for governing behavior

Codependent relationship

A relationship in which one person compromises her/his own needs and wants in order to care for another person who may be experiencing emotional, physical, or financial difficulties

Cognitive ability

The capacity to learn and to understand

Cohesiveness

The ability to work smoothly together as a unit

Cold calls

Unannounced telephone calls or visits by a salesperson to prospects about whom little may be known

Cold War

A state of heightened tension that existed between the Eastern and Western parts of the world, lasting from the end of World War II until approximately 1991

Collaboration

Working together by drawing from one another's knowledge and experience

Collaborative

A negotiating style in which two parties work together to reach a mutually beneficial agreement

Collaborative groupware

Computer software designed to help team members achieve group goals

Collateral

Anything of value belonging to the borrower which is pledged to the lender to guarantee that the loan will be repaid

Collectibles

Objects collected by someone who has an interest in the sport, activity, etc.

Collective bargaining

The negotiating process in which union leaders and company representatives engage to determine the terms and working conditions that are to be provided to employees

Collectivism

An emphasis on group work and accomplishments

Collectivist society

A society in which people are integrated into strong, loyal groups, such as extended families

Combative

A negotiating style in which one or both parties consider only their interests and fight to achieve a desired outcome at any cost

Command economy

An economic system in which all or many of the means of production and distribution are owned and controlled by the government

Commercial bank

Full-service bank offering a variety of banking services including checking and savings accounts, secured and unsecured loans, installment credit, and bank credit cards

Commercialization

The point at which a product goes into full-scale production, the marketing plan is put into place, service and sales training are done, and the product's life cycle begins

Commission

A percentage of the total sale amount paid to the individual or business that makes the sale

Common stock

A basic share of ownership in a company that comes with voting rights

A basic share of ownership in a company that comes with voting rights

Communication

An exchange of information in which the words and gestures are understood in the same way by both the speaker and the listener

Communication barriers

Problems that interfere with the effective exchange of information

Communication skills

The ability to express thoughts and ideas in a clear manner

Communications plan

In project planning, a document that contains strategies for managing the flow of information that must occur between all the project's stakeholders through-out the life of the project

Communism

A command economic system in which the government controls the economic system and does not allow private ownership of the means of production and distribution

Community newspaper

A suburban or rural paper delivered to residents in a geographic area

Company leads

Information about and contact with potential customers provided by a company, its advertising, participation in trade shows, or telephone and mail solicitation

Comparative advantage

The advantage achieved by a nation from specializing in and producing goods and services at which it is relatively most efficient

Comparison shop

The act of visiting other businesses to learn what competing stores are selling and the prices they charge

Compassion

A deep awareness of someone else's needs and a desire to help meet those needs

Compensation

Pay or wages for work completed

Competence

The ability to do what needs to be done; capability

Competition

The rivalry between two or more businesses to attract scarce customer dollars

Competitive

A negotiating style in which one or both parties view the negotiation as a game-like challenge or a rivalry; one or both parties consider only their interests to achieve a desired outcome

Competitive advantage

The edge achieved by businesses that offer something better than their competitors

Competitive analysis

The process of comparing a business's income statement with that of its competitors to see how it is doing by industry standards

Competitive bidding process

A method of collecting price quotes from suppliers vying for an order or job

Competitor

A rival business that seeks to attract the same scarce customer dollars

Complaining customers

Customers who believe everything is going wrong for them and everybody is either taking advantage of them or not really trying to help

Complementary goods

Products that are used together, e.g., skirts and blouses, ski boots and skis, software and computers

Complementary products

goods and/or services that are used together (e.g., skirts and blouses, ski boots and skis, software and computers)

Compliance

Fulfilling the requirements of the law

Compounding

Earning interest upon interest

Compromise

Giving in to another's wishes so that an agreement may be reached

Computer-aided design (CAD)

The use of computer technology to plan, design, test, and alter products

Computer-aided engineering (CAE)

See computer-aided design

Computer-aided manufacturing (CAM)

The use of computer software to control machines, tools, and processes involved in manufacturing products

Computer-integrated manufacturing (CIM)

An operating system that integrates technology and software throughout the entire production process from start to finish

Concept testing

Exploring the concept, or idea, for a product in order to obtain feedback

Conceptual skills

The ability to see the “big picture” and think about how things will work together

Concession

Something that is given up during a negotiation

Concise

Containing the appropriate amount of information in as few words as possible

Conclusive research

Causal research; marketing research that focuses on cause and effect and tests “what if” theories

Concrete communication

Communication that is accurate, specific, and easy to visualize

Conduct and Practices Exam

Licensing requirement for Canadian brokers

Conflict

A disagreement

Conflict of needs

Situation that occurs when a customer needs two or more items at the same time but can only afford one

Conflict resolution

The process of resolving or ending a conflict

Conflict response mode

The manner in which a person reacts or handles conflict, when a disagreement occurs

Conformance

Compliance with standards

Connotation

Associated or underlying meaning

Cons

Negative characteristics

Consensus

A decision-making outcome that requires the substantial agreement of each group member

Consensus building

A group's process of coming to a consensus; the action of bringing a group to a consensus

Consensus scale

A measure of each group member's feelings toward a proposed decision or solution

Consequence

The result of an action

Conservative investor

An investor with a low tolerance for risk

Conserve

To slow down the use of something to make its supply last longer than it would otherwise

Consistency

A product-mix dimension referring to how closely a company's product lines are related in terms of the products' end use, methods of distribution and production, target market(s), and/or price range

Consolidation

A form of business growth in which a corporation acquires many smaller companies

Consolidation (of financial statements)

The combining of financial statements of more than one company for a parent company's report

Constructive criticism

A type of negative feedback that provides evaluative information designed to help someone improve

Consultant

A business or individual offering advice for a fee

Consumer

Anyone who uses goods and services

Consumer buying power

Cash and credit a consumer has available to spend

Consumer discretionary sector

Purchasers with an amount of income left to spend or dispose of after they have paid their taxes

Consumer goods

Tangible items produced for personal use

Consumer goods and services

Products produced for personal consumption

Consumer magazines

Magazines that are generally read by individuals for personal enjoyment during their leisure time

Consumer market

A customer or potential customer who purchases goods or services to satisfy personal desires

Consumers

People who use goods and services to satisfy their wants

Consumption

The economic process or activity of using goods and services

Contingency

An event that may occur in the future but cannot be predicted with accuracy

Contingency plan

Specific guidelines and activities used when responding to undesirable circumstances; an alternative course of action

Contingent close

A closing technique that depends upon the salesperson's proving a point to the customer to remove obstacles to the sale

Continuous improvement

A business strategy in which an organization continuously evaluates its business processes to make them more effective and efficient

Continuous process improvement

The activity of regularly updating one's processes for better efficiency

Continuous production process

A production process that turns out products without stopping

Contract

Agreement between two or more businesses or individuals stating that one party is to do something in return for something provided by the other party

Contraction

The phase of the business cycle characterized by decreased demand for goods and services, rising unemployment, increased saving by consumers, and reduced sales and profits for businesses

Contracts/agreements

Legal agreements between two or more businesses stating that one party is to do something in return for something provided by the other party

Contradictory

Not in line with; against

Contrasting advantages and disadvantages close

A closing technique that involves comparing a product's pros and cons

Contribute

Give or donate resources

Controller

An accountant who directs the preparation of financial reports such as balance sheets and income statements; often in charge of accounting and auditing for an entire company

Controlling

The management function that monitors the work effort

Controversial topic

A subject about which people have strong feelings

Convenience products

Goods and services purchased quickly and without much thought or effort

Convenience sampling

A non-probability sampling method in which researchers choose respondents based on opportunity (e.g, standing outside a store to interview exiting customers)

Conversation

Talk between people

Conversion process

The process of turning economic resources into products

Convertible bonds

Bonds that can be changed into stocks at a later time

Cookies

Text files that are put on a web-site visitor's hard drive and then later retrieved during subsequent visits to the site in order to track Internet behavior

Cooperation

The willingness to work with another person to resolve differences

Cooperativeness

A willingness to work well with others to achieve a common goal

Copyright

Legal protection of books and other artistic works granted by government and giving their creators sole rights to them for a certain period of years

period of years

Core values

Brand values; beliefs or qualities that a corporate brand stands for and is built around

Corporate bonds

Bonds issued by corporations to fund operating expenses

Corporate brand

All the combined impressions and experiences associated with a particular company; a brand representing a company or parent business entity

Corporate campaign

A union pressure strategy that involves disrupting shareholder meetings or buying up stock

Corporate casual

A dress-code trend in business for employees to dress informally

Corporate culture

The values and ideals that an organization encourages among its employees

Corporate finance

A function in a company that manages policy and strategy for (and the implementation of) capital structure, budgeting, acquisition and investment, financial modeling and planning, funding, dividends, and taxation

Corporate governance

The system by which directors handle their responsibility toward shareholders

Corporate responsibility

A business's active efforts to create a positive impact on its employees, the community, and the environment

Corporate sales

In sports, the marketing of private seats or luxury boxes to businesses for use on their "company nights" or to entertain clients

Corporate/general management

A career area in which employees focus on planning, organizing, directing, and evaluating part or all of a business organization through the allocation and use of financial, human, and material resources

Corporation

A form of business ownership that is owned by stockholders who have purchased units or shares of the company; an "artificial being, invisible, intangible, and existing only in contemplation of the law"

Corruption

Dishonesty; usually refers to dishonesty within governments or businesses

Cost (of production)

The total amount of money spent on costs of materials, labor, taxes, etc., to manufacture economic goods and services

Cost estimate

A ball-park figure (or guess) of how much will be spent on a given activity

Cost of goods

The amount of money a business pays for the products it sells or for the raw materials from which it produces goods to sell

Cost of goods sold

The amount of money a business has paid for the goods it has sold

Cost of goods sold/Cost of sales

The amount of money a business pays for the product it will sell

Cost of production

The total amount of money spent on costs of materials, labor, taxes, etc., to manufacture economic goods and services

Cost of sales

The amount of money a business has paid for the product (good or service) it has sold

Cost standards

Established specifications used to measure how much a project or product costs

Cost-effective

Economical; good value in relation to the price, or cost

Cost-of-living adjustment

An annual increase in wages designed to keep up with inflation

Costs

Expenses

Coupon rate

The interest rate for a particular bond

Courage

A strength of spirit that lets you stand up under pressure and face fear with self-confidence

Courtesy

Polite behavior; good manners

Coverage

The extent to which a product is available in stores

CPA

(Certified Public Accountant): A professional designation for people who prepare, analyze, and verify a variety of financial data

Craft union

A union made up of workers with a particular skill, e.g., plumbers, electricians

Creative thinking

a mental process involving the development of unique ideas, approaches, and solutions

Creative-thinking process

A five-step method for encouraging your own creativity to reveal itself; includes pinpointing the question, gathering information, setting the question aside for a while, welcoming your own creative insight, and finding out if the answer works

Creative-thinking skill(s)

The ability to think in a creative way; the ability to use the creative-thinking process appropriately or successfully

Creativity

The ability to generate unique ideas, goods, or services

Creativity:

The ability to generate unique ideas, approaches, and solutions

Credentials

Information about a person's or business's skills, abilities, and qualifications

Credibility

How much people believe what you say; believability

Credit

The arrangement by which businesses or individuals can purchase now and pay later

Credit agency

Business whose purpose is to maintain files of credit information on individuals and businesses

Credit analyst

A person who assesses the requests of individuals and businesses applying for loans, makes reports to the loan committee, and helps decide if the requests should be granted

Credit Card Accountability, Responsibility, and Disclosure Act of 2009 (CARD)

Legislation written to ban unfair interest-rate increases, prevent unfair credit-card fees, ensure that contract terms are written in "plain language," and regulate credit-card companies' marketing efforts toward young people and college students

Credit downgrade

The reduction of a business's credit rating or measure of relative credit risk; usually accompanied by an increase in expenses and a decrease in creditworthiness

Credit limit

The maximum amount of money that can be owed on a credit account

Credit rating

The score assigned to a borrower based on previous loans

Credit union

A financial cooperative set up to provide savings and credit services to its members; usually within a business or a labor union

Creditors

Individuals or businesses to whom a business owes money or from whom it wants to borrow money

Creditworthy

Financially sound enough to obtain products or money based on a promise to pay later

Critical thinking

Thinking that analyzes what the information is, where it's coming from, and how it should be appropriately applied

Criticism

An analysis of something or someone that identifies any shortcomings

Cross training

A systematic approach for teaching employees how to perform other people's jobs

Cultural intelligence

The knowledge, ability, and willingness to adjust your opinions and behaviors so that you value and are sensitive to people and ideas from other cultures

Cultural sensitivity

The willingness to adjust your opinions and behaviors so that you value people and ideas from other cultures

Culture

The customs, habits, and traditions of a particular group of people

Cup-and-handle pattern

In technical analysis, repetitive market (price) activity that can be used for predicting future activity; shaped like a cup with a handle

Currency

Paper money

Currency exchange rate

Specification of how much two currencies are worth in relation to each other (also known as exchange rate and foreign exchange rate)

Current assets

The sum of money the company has right now (cash), money that should be coming in within the next year (accounts receivable), and other assets that could be converted into cash

Current liabilities

Debts that must be paid within a year

Customer experience management

The strategies, processes, and policies a business uses to meet or exceed customer expectations and to provide customers with outstanding experiences at every touch point

Customer feedback

Evaluative or corrective information given by the customer to the salesperson

Customer loyalty

The customer's preference for a business; usually expressed in regular purchases from the business

Customer relations

All the activities a business engages in to interact with its customers

Customer relationship management:

The strategies, processes, technology, and people a business uses to build, maintain, and maximize the long-term value of customer relationships

Customer satisfaction

A measure of how well a business has met its customers' expectations

Customer service

Activities and benefits provided by a business to its customers to create goodwill and customer satisfaction

Customer-centric

Focused on customer needs and wants

Customer-relationship management software

Computer programs that provide businesses with information about their customers; used to establish better relationships with top customers

Customer-service mindset

The belief that giving customers good service should be a top priority of a business

Customers

The people who buy goods and services

Cyclical stocks

Stocks whose performance is tied to the overall economy; when the economy expands, these stocks rise quickly, and when the economy contracts, they fall quickly

Data

Facts and figures

Data gathering

The process of collecting facts and figures

Data processing

Handling facts and figures

Database

Computerized storage for information and facts

Day trader

An investor who makes a practice of buying and selling the same investment within one trading day; can be an institutional investor (employed by an investment firm) or an independent investor (not employed by an investment firm)

Day trading

The practice of buying and selling the same investment within one trading day

Deadline

Date or time when something must be done

Dealer incentive

A limited-time discount offered by a manufacturer to its intermediaries to prompt them to purchase and/or further promote the manufacturer's products to customers

Dealership

See product trade-name franchise

Debt

Amount of money businesses or individuals owe to others

Debt ratio

A class of financial ratios that compares what a company owns to what it owes; also called safety or financial leverage ratios

Debts

Amounts of money businesses or individuals owe to others

Decision

A choice among alternatives

Decision criteria

The boundaries a decision maker sets for his/her decision

Decision making

Choosing among alternatives

Decision problem

The basic issue that managers are facing; the reason they believe marketing research is necessary

Decision support system

A type of computer program that draws on gathered knowledge to help managers improve their decision making and problem-solving skills

Decision-making

Choosing among alternatives

Decision-making model

An organized way of making a decision

Decision-making skills

The ability to choose among alternatives

Decision-making style

A method of decision making having to do with the degree to which others are involved in the decision-making process

Decision-oriented

Accustomed to making choices

Decisive personality

A basic type of customer personality characterized by the customer's asking for specific items, having a businesslike nature, acting in a direct manner, knowing what s/he wants, and/or shopping quickly

Decline stage

The product life cycle stage in which sales and profits fall rapidly

Declining stage

The product life cycle stage in which sales and profits fall rapidly

Deduction

A tax write-off that reduces the gross amount of an individual's income, which in turn reduces the taxes owed

Deep product mix

A description of the depth of a business's product mix offering a great many items in the product line

Default risk

The possibility of loss due to an issuer's failure to repay a bond

Defective

Not conforming to predetermined standards

Defensive

Having a negative attitude toward criticism or suggestions

Defensive stocks

Stocks whose performance is independent of the economy

Deficit

A lack of funds, or an overspending of funds

Delegation

Assigning tasks to subordinates

Deliverable

The result a project is created to achieve

Demand

The quantity of a good or service that buyers are ready to buy at a given price at a particular time

Demand price

The maximum price buyers are willing and able to pay for a product

Demand-pull inflation

A rapid rise in prices that occurs when aggregate demand exceeds supply

Democratic leadership

A leadership style built around mutual respect between the leader and employees that allows workers to have a say in the operation of the organization

Democratic managers

Managers who like to exercise only a moderate degree of control over employees; tend to involve employees in decision-making and problem-solving

Demographic segmentation

The division of a market on the basis of its physical and social characteristics

Demographics

The physical and social characteristics of the population

Demographics:

The physical and social characteristics of the population

Deny it

Method of answering objections in which the salesperson directly denies the

customer's objection

Dependability

Reliability; doing what you say you will do

Dependent variable

A factor whose value is affected by another factor

Depreciation

Reduction in value of assets occurring over a period of time

Depressed economy

A long-lasting recession characterized by high rates of unemployment and business failures

Depression

A severe, long-lasting recession characterized by high rates of unemployment and business failures

Depth

The amount of control and decision-making an employee has in a job

Derivative project

A business endeavor that enhances, adds to, or extends an existing project

Derivatives

Securities that function as tools for trading underlying assets

Descriptive research

Marketing research that gathers specific information related to the identified issue, situation, or concern

Designer

An individual who envisions a new product (or feature) and carefully specifies his/her vision for a manufacturer to implement

Destructive criticism

A type of negative feedback that provides evaluative information but is given in a manner that hurts the message receiver's self-esteem

Detail-level goal

A small, short-term goal

Determination

Staying with something until it is finished; not giving up easily

Dictatorship

A form of government in which one person rules absolutely and makes decisions without asking anyone's opinion

Differentiation

The act of distinguishing between or separating two or more things

Difficult customers

Customers with problems that interfere with their ability to communicate satisfactorily or to function in a normal or pleasant manner

Difficult personality

A basic type of customer personality; these customers have problems that interfere with their ability to communicate satisfactorily or to function in a normal or pleasant manner; they may be excessively disagreeable, domineering or superior in manner, suspicious, slow or methodical, or simply dishonest

Digital record

A document preserved electronically

Dignity

A high degree of calmness and self-possession

Direct close

The most simple and natural of all closing techniques; involves merely asking the customer to buy

Direct competition

Rivalry between or among businesses that offer similar types of goods or services

Direct distribution

A channel of distribution in which goods and services move directly from the producer to the consumer or industrial user

Direct mail

Promotional medium that comes to customers' homes and businesses in the form of letters, catalogs, postcards, faxes, folders, and e-mails

Direct stock purchase (DSP)

A plan in which investors buy securities directly from the issuing company, bypassing commission fees

Direct-mail marketing

An effort to obtain business by sending promotional material to customers in the form of letters, catalogs, postcards, faxes, and folders

Directing

The management function of providing guidance to workers and work projects

Directory advertising

Promotional messages found in directories of a general nature such as the *Yellow Pages* or in specialized listings of companies in an industry

Disability

A mental or physical problem that affects an individual's mental or physical condition

Disagreeable customers

Customers who are unpleasant and hard to help

Disbursement journal

An accounting record for recording daily expenditures

Disclosure

The act of making something known or revealing the particulars; required in the notes to the financial statements

Discount

A deduction from the price of goods

Discount bonds

Bonds available for purchase below par value

Discount broker

A broker who executes basic trades without offering investment planning or advice; less expensive than a full-service broker

Discount store

A retail store competing on the basis of low prices and offering limited customer service

Discovering customer needs

The phase of the selling process in which the salesperson determines what a customer needs/wants through the use of questioning and listening

Discovery-oriented decision problem

A decision problem aimed at answering "what?" or "why?"

Discretionary

Remaining after taxes

Discretionary item

A product that is wanted but not needed

Discrimination

Unfair treatment of a person or a group based on the person's or group's characteristics, e.g., race, religion, gender

Discussion

A conversation among members of a group

Dishonest customers

Customers who intentionally attempt to avoid paying part or all of the price for a product

Dispatching

Issuing orders for production to start

Displays

Visual, nonpersonal presentations of goods and services to prospective buyers; categorized as interior or window displays

Disposable income

The amount of money people have to spend, or dispose of, after they have paid their taxes; also called discretionary income

Disproportionately

Unsuitably, unreasonably, or inappropriately sized

Disproportionately stratified sampling

A type of stratified random sampling in which the sample size is independent of that stratum's size relative to the entire population

Disseminate

To spread widely (usually refers to information or knowledge)

Distractions

Things that interrupt us, causing us to turn our focus away from what we're doing

Distribution

A business function that is responsible for moving, storing, locating, and/or transferring ownership of goods and services

Distribution intensity

The level of market exposure a certain distribution pattern achieves (refers to intensive, selective, and exclusive patterns)

Distributor

A channel member who helps to sell a business's products; usually a wholesaler

Diverse

Different from each other, especially in terms of background, age, gender, and race

Diversification

Management of risks by spreading out financial investments among a number of different securities or business ventures

Diversity

All the ways in which people differ

Dividend

A sum of money paid to an investor or stockholder as earnings on an investment

Dividend reinvestment

Putting dividends back into an investment to purchase more shares

Dividend reinvestment plan (DRIP)

A plan in which investors' dividends are automatically reinvested into more shares of company stock, bypassing commission fees

Division of labor

Dividing a large job or large work force into smaller unit parts to accomplish the job faster and easier; specialization by task

Divisional structure

An organizational design in which the firm is broken down into units according to factors such as product, process, territory, customer type, etc.

Divulge

To reveal or make known to others

Do-Not-Call registries

Databases containing personal telephone numbers that, by law, telemarketers are not permitted to call

Doing business as

A term or permit that requires a business to register its name with local governments

Dollar cost averaging

Investing a predetermined amount of money on a regular basis

Domain name

A business's web address (e.g., cdwarehouse.com)

Domestic goods

Tangible objects that are manufactured or produced for resale within the "home" country

Domestic stocks

Stocks that are issued by companies in the country where you live

Domestic trade

The buying and selling of goods and services within a country

Dominant buying motive

The reason for making a purchase that has the greatest influence on a customer's buying decision

Domineering/Superior customers

Overly confident customers who feel they know more and are better than the average person

Double counting

Including the same production more than once in determining GDP

Down payment

A partial payment made at the time an item is purchased; the remaining balance is paid later

Dream

A hope or longing for something

Dual distribution

Distributing a product through two different channels

Dual/Double taxation

The levying of two taxes on the same income (e.g., tax on a corporation's income as well as dividends)

Durability

The measure of how long a product lasts

Durable Goods

Tangible items that should last a long time

Dynamic

Changing; changeable (able to be changed)

E

E-commerce

The buying and selling of goods using computers

E-tailers

Retailers who operate solely online

Early adopter

A person who embraces new products (particularly technology products) before most others do

Earnings

Profit or income; net earnings are the "bottom line" on an income statement, the results of sales minus all expenses

Earnings per share (EPS)

Financial ratio that tells you how much profit goes to each share of common stock; calculated by dividing net earnings by the number of outstanding shares of common stock

Earnings projection

A prediction of how much income will be received during a specified time period

Earnings statement

Another name for an income statement

Economic activities

Consumption, production, exchange, and distribution

Economic flow

The movement of resources from resource owners to producers and from producers to consumers

Economic forecast

A prediction of what may happen in the nation's economy

Economic goods

Physical objects that are useful, scarce, and transferable which satisfy economic wants

Economic indicators

Events that provide clues regarding the direction the economy is headed

Economic resources

The human and natural resources and capital goods used to produce goods and services

Economic risks

Chances of loss due to changes in the market that force prices to be raised or lowered, products to change, or businesses to succeed or fail

Economic services

Productive acts that satisfy economic wants

Economic system

The organized way in which a country handles its economic decisions and solves its economic problems

Economic vote

Term used to describe consumer approval of products expressed by the purchase of products

Economic wants

Desires for items that can only be obtained by spending money

Economics

The study of how to meet unlimited, competing wants with limited resources

Economies of scale

The drop in cost-per-unit as a company produces a greater number of goods or services and becomes more efficient

Economizing

The process of deciding which goods and services will be purchased or provided so that the most satisfaction can be obtained; deciding how scarce resources will be used

Economy

The system in which people make and spend their incomes

Ecopreneur

An entrepreneur who develops and markets environmentally-friendly products; may also offer services that work directly to improve the environment, e.g., recycling facilities, water treatment plants, etc.

EDGAR

Stands for Electronic Data Gathering and Retrieval; section of the SEC web site in which all of the mandatory filings are housed

Effective goal

A goal that takes priority over other activities; a goal that is (likely to be) achieved

Efficiency

Accomplishing a task with a minimum expenditure of time and effort

Efficient

Using minimum amounts of resources to the best advantage

Elastic demand

A form of demand for products in which changes in price correspond to changes in demand

Elasticity

An indication of how changes in price will affect changes in the amounts demanded and supplied

Electronic direct mail

Promotional messages that are delivered over computer networks to e-mail addresses

Electronic imaging software

A computer application that works with optical scanning hardware to scan paper documents and convert them to digital form

Electronic interview

Surveying individuals via e-mail or Internet web sites to obtain research data

Embarrass

Make others feel uncomfortable, ashamed, or ill at ease

Emotional buying reason

A customer's motivation for purchasing a product that is based on feelings

Emotional conflict

A disagreement that is based on differences regarding personal beliefs, values, or experiences

Emotional intelligence

The ability to recognize and manage emotions in ourselves and in others

Emotional motives

Reasons for buying that involve an appeal to the customer's emotions or feelings

Emotional traits

Personal characteristics that involve your attitudes, feelings, values, and temperament

Empathetic

Acting according to an intellectual identification with the thoughts, feelings, values, attitudes, and/or actions of another person

Empathize

Putting yourself in another person's place

Empathy

The ability to put yourself in another person's place; the ability to relate to the feelings, thoughts, and experiences of other people

Employee complaint

An oral or written expression of an employee's dissatisfaction

Employee safety

Freedom from danger, risk, or injury in the workplace

Employee stock ownership plan (ESOP)

A system for employees to purchase stock of the company they work for

Employee turnover

The rate at which a business gains and loses employees

Employee-assistance program

A project organized and sponsored by a company to help its employees

Employee-assistance programs

A project organized and sponsored by a company to help its employees

Ending cash balance

The amount of cash a business has left at the end of the month

Endorsement

Approval by a reputable external source

Enterprise resource planning (ERP)

Software applications using database technology that enable a business to manage its information about customers, products, employees, and finances

Entertain

To amuse or inspire an audience; a purpose of oral presentation

Enthusiasm

Intense interest or excitement

Entrepreneur

An individual who invents, develops, and distributes a good or provides a service; assumes the risks of starting and building a business; and receives personal and financial rewards for her/his efforts

Entrepreneurs

People who assume the risks of starting and operating businesses

Environment

Surroundings

Environmental distraction

An aspect of the setting that diverts the listener's attention away from the speaker's message, such as poor lighting, noise, or uncomfortable seating

Environmental Protection Agency (EPA)

A federal organization monitoring the care of the nation's natural surroundings

Environmental scanning

A three-step process in which businesses gather information about their surroundings, analyze that information, and determine the future impact of that information

Equal Credit Opportunity Act

A federal law which attempts to make the granting of credit fair by prohibiting the denial of credit based on the applicant's gender, race, age, marital status, or national origin

Equilibrium

The point at which the quantity supplied is equal to the quantity demanded

Equilibrium price

The point at which the quantity of a product that buyers want to buy is equal to the quantity that sellers are willing to sell at a certain price; equal to both the demand price and the supply price

Equipment

Industrial goods used in the operation of a business but not used in the actual production of a good or service

Equity

Assets minus liabilities; also known as stockholders' (or shareholders') equity, book value, and net worth

Equity investment

An ownership investment, such as a stock

Establishing relationships

The phase of the selling process which involves making initial contact with customers to create the right selling environment

Estimate

An approximation of data; an “educated guess”

Ethics

The basic principles that govern your behavior

Ethnic heritage

The background handed down to individuals from the ethnic group, or culture, into which they were born

Ethnocentrism

The belief that your own culture is naturally better than other cultures

Etiquette

Rules applying to acceptable behavior

European Union (EU)

An association of European countries with uniform trade rules that eliminated all barriers and restrictions on the movement of goods and services among member nations

Evaluate

Examine or review carefully to determine value or importance

Evaluative information

The conclusions people reach after they examine something carefully

Event marketing

The process of planning and executing the conception and promotion of gatherings or activities that satisfy individual and organizational objectives

Exaggerate

Overstate, or stretch, the truth

Excellence

Usefulness and good performance (in products)

Excess demand

The situation that exists when demand is greater than supply

Excess supply

The situation that exists when supply is greater than demand

Exchange

The economic process of trading one good/service for another

Exchange price

The amount of money that the buyer is willing to pay and the seller is willing to accept for a good or service

Exchange rate

The price or value at which one currency can be converted to another

Exchange-traded fund

A security that represents a "basket" of stocks like a mutual fund, but trades like an individual stock

Exclusive agreement

An illegal agreement that forbids customers from buying goods and services from competitors

Exclusive dealership (agreement)

An illegal agreement that forbids customers from buying goods and services from competitors

Exclusive distribution

A distribution pattern in which a producer sells a product through just one middleman in a geographic area

Exclusive distributorship

See product trade-name franchise

Exclusivity

A right purchased by a sponsor to be the sole provider of a particular type of good or service for a sport/event

Excuse

An insincere and invalid statement used to cover up a real reason for not buying

Executive management

Top-level management

Executive summary

The most important part of a company's business or marketing plan because it gives an overview of the entire document; often used to determine whether it is worthwhile to read any further

Executives

Top-level employees

Existing product

Goods or services that are currently being sold

Exit interview

Discussions with employees who are leaving that are designed to gain feedback for the business

Expansion

The stage of the business cycle characterized by increased spending and borrowing, increased demand for goods and services, increased employment rates, and decreased interest rates on loans

Expenditures

The monies that a business spends; also called expenses

Expense

The money that a business spends

Expense control

Efforts to maintain or reduce a certain level of spending

Expense ratio

A computation reflecting a combination of a mutual fund's management fee and its 12b-1 fee

Expense(s)

The money that a business or project spends

Expenses

The money that a business spends

Experiment

A marketing-research method that tests cause and effect by test marketing new products or comparing test groups with control groups

Expert system

Computer software designed to mimic the knowledge of a human expert

Explicit knowledge

Knowledge that can be easily communicated to others or readily captured and stored in some type of document or database

Exploratory research

Marketing research that collects information to help the business define its issue, situation, or concern and decide how to proceed with its research

Exporting

The process of selling goods and services to individuals, businesses, or governments in other countries

Exports

Goods and services sold by businesses and industries in one country to individuals, manufacturers, or governments in other countries

Express warranty

A warranty that is written or expressed verbally

Extensive decision

A type of decision that requires a lot of consideration

External conflict

A disagreement with another person or with a group of people

External customers

Individuals who buy a business's products

External data

Facts and figures available in locations outside the company

External environment

A business's external, uncontrollable surroundings; consists of elements such as demographics, society and culture, the economy, competition, government, and technology

External failure costs

The costs associated with defective products reaching customers

External feedback

Evaluative information that comes from sources outside you

External rewards

Outside forces that motivate people to perform well, e.g., pay raises, bonuses, etc.

External sources

Contacts outside the business, such as other salespeople, specialized lists and directories, and industry trade groups

Extinction

The act of withholding reinforcement in order to change a behavior

Eye Contact

Looking others directly in the eye

F

Face value (or par value)

The original bond amount that is to be repaid at maturity

Facial expression

The look of the face that shows thoughts or feelings

Facilitator

A person who guides a group's discussions and helps it adhere to its agenda

Fact

A true statement

Fact-finder personality

A basic type of customer personality characterized by the customer's challenging a salesperson to know the products, doing comparison shopping, liking to see variety, and/or wanting factual information

Factors of production

Productive resources; human and natural resources and capital goods

Factory-approved service center

Businesses that have been selected by a manufacturer or seller to repair and/or replace products covered by certain warranties

Fads

Clothing and styles that are popular for a limited period of time

Fair Credit Billing Act

A federal law that specifies the time period in which a business must handle a credit customer's complaint or inquiry about his/her bill

Fair Credit Reporting Act

A federal law which gives consumers the right to inspect the files of their credit history at any credit agency and to have mistakes corrected

Fairness

The ability to make judgments without favoritism or self-interest; generally following established rules or standards

Fallback plan

Guidelines explaining what to do and how to recover if a contingency plan fails

False generalize

To make a broad assumption with very little supporting evidence

Falsely generalize

To make a broad assumption with very little supporting evidence

Family brand

A category of brands in which one brand is used for a group of related products in a product line

FAQ

Frequently Asked Question; used by businesses to answer questions on their web sites or other marketing materials

Feasible

Reasonable; achievable

Feature

A fact about or characteristic of the product

Feature-Benefit Chart

A list that may be arranged alphabetically to show product features and corresponding benefits

Feature-Benefit Selling

Convincing customers that a product has the features that will provide the benefits for which they are looking

Features

Facts or characteristics of a product

Federal Communications Commission (FCC)

A government agency that regulates interstate and international communications by radio, television, wire, satellite, and cable

Federal Reserve

The central banking organization of the United States that monitors and regulates the flow of credit and money

Federal Reserve System

The central banking organization of the United States that monitors and regulates the flow of credit and money

Federal Trade Commission (FTC)

A government regulatory agency that administers and enforces antitrust laws to prevent price fixing and to prohibit unfair competitive practices

Federal Trade Commission Act

A federal regulation that established a regulatory agency, the Federal Trade Commission (FTC), to monitor business activities in order to prevent unfair competition

Federation

The highest level of union organization consisting of a group of national unions

Feedback

Evaluative information given to you about the things you say and do

Feminine culture

A culture that values "feminine" qualities, such as caring, quality of life, etc.

Fidelity bond

Insurance coverage to protect a business from losses due to employee theft

File server

A computer/storage device that stores network users' digital files

Filler

In public speaking, small words such as "uh," "er," "umm," and "y'know" that are used to fill in spaces between sentences

Finance

The process of obtaining funds and using them to achieve the goals of the business

Finance charge

Interest charged on the outstanding balance of a credit account

Financial accounting

A type of accounting that involves preparing and reporting financial data to external users who are not directly involved in business operations

Financial analysis

The process of planning, maintaining, monitoring, controlling, and reporting the use of financial resources

Financial analyst

A person who evaluates companies and industries and makes recommendations to buy, sell, or hold certain securities; also known as a securities analyst or an investment analyst

Financial capital

Money needed to operate a business

Financial clerk

A person who is responsible for a company's or organization's financial recordkeeping

Financial goal

A specific short- or long-term objective that is part of a financial plan; well-written financial goals are specific, measurable, attainable, results-oriented, and time-bounded

Financial Industry Regulatory Authority (FINRA)

Private-sector (not affiliated with the government) regulator of the United States securities industry; licenses individuals and firms

Financial manager

A person who oversees part or all of a company's or organization's finances

Financial plan

The part of a company's business plan that shows how the business has performed (or is likely to perform) financially; how a business intends to use its money

Financial planner

A professional who specializes in helping people with personal financial matters

Financial ratio

The comparison of two numbers from a business's financial statement; used as a tool by businesses to see relationships between numbers

Financial record

A document containing information related to the overall income and expenses of a business

Financial records

Documents containing information related to the amount of money going into and out of a business

Financial resources

All the sources of money available to a business or project

Financial risks

Possible events and situations that directly impact a company's cash flow

Financial skills

The ability to manage money

Financial statement

A summary of accounting information

Financial statements

Summaries of accounting information

Financing

A marketing function that determines the need for and availability of financial resources to aid in marketing activities

Financing costs

Funding a business activity or project through debt, equity, or venture capital

Finished goods inventory

The producer's inventory of completed products that are ready to be marketed; also called finished products inventory

First impressions

The opinions others form about you, your personality, your abilities, and your competence through your personal appearance and actions

First-line management

Supervisors who work directly with the employees who carry out the business's routine work

Fiscal policy

The government policy that sets levels of government spending and taxation

Fiscal year

The 12-month period chosen by a business as its operating year that may or may not coincide with the calendar year

Fixed asset

Item of value a business owns that is not expected to change, e.g., building

Fixed assets

Items of value a business owns that are not expected to change, e.g., buildings

Fixed costs

Business costs that are not affected by changes in sales volume

Fixed expenses

Business costs that are not affected by changes in sales volume

Fixed-income investment

An investment, such as a bond, that returns a specified amount of money at predetermined times

Flexibility

The ability to adapt to changes as they occur

Flextime

A scheduling procedure in which employees select their own working hours as long as they work the required number of hours

Focus group

A group formed for the purpose of discussing a specific topic

Follow-up

The determination of a customer's satisfaction with a good or service after a sales presentation regardless of whether or not a sale was made

Food and Drug Administration (FDA)

The regulatory agency established by the federal government to enforce laws that protect consumers' health

For-profit business

A business whose overall purpose is to earn a profit

Forced analogy

a synectics creative-thinking method involving the use of metaphors and similes to create connections where none currently exists

Forced associations

a synectics creative-thinking technique involving forcing random words into associations or connections with a given issue or idea

Forced questioning

a creative-thinking technique using basic question starters to develop original questions to ask (and answer) about an issue or idea; these question starters include who, what, why, where, when, how, did, will, might, would, could, should, etc.

Forced relations

a creative-thinking technique that involves connecting two items or ideas that seem completely unrelated to find new practical combinations and products

Forcing

A conflict response mode in which one or both parties exhibit aggressive behavior and express a low level of cooperation

Foreign aid

The money that developed countries give to less-developed countries to help with their economic development

Foreign goods

Tangible objects that are manufactured or produced for resale outside the “home” country

Foreign stocks

Stocks that are issued by companies in countries other than the one in which you live

Foreign-exchange market

Forum for trading currencies

Forgiveness

Excusing the mistakes or flaws of others

Form 10-K

A yearly report, required by the SEC from publicly-traded companies; often more detailed than the company’s own annual report

Form 10-Q

A quarterly report, required by the SEC from publicly-traded companies; unlike the annual 10-K report, the 10-Q is not required to be audited

Form 13-D

An insider ownership report filed with the SEC when an investor acquires more than 5 percent of a company’s stock

Form 4

An insider ownership report filed with the SEC that lists insiders who are buying or selling their company’s stock

Form 8-K

A report filed with the SEC if a significant, non-recurring event occurs before a 10-Q is due; companies are required to file an 8-K within 15 days of such an event

Form utility

Usefulness created by altering or changing the form or shape of a good to make it more useful to the consumer

Formal education

The amount of learning a person has acquired in the classroom

Fossil fuels

Nonrenewable, carbon-based energy sources formed underground from the fossilized remains of plants and animals

Framing

The way in which one person presents a matter to another person

Franchise

A contractual agreement between a parent company and a franchisee to distribute goods or services

Franchisee

One who buys the right to sell the goods or services of the parent company (franchisor)

Franchising

A method of distributing recognized goods and services through a legal agreement between two parties

Franchisor

A parent company and owner of the name and/or system that is being distributed through a licensing arrangement

Fraudulent

Deceitful; dishonest

Free association

a creative-thinking technique that involves reacting to random words or pictures to generate a flow of ideas; each idea is used to trigger others; the process is repeated until connections are made with a given issue or situation

Free enterprise

An economic system in which individuals and groups, rather than the government, own or control the means of production—the human and natural resources and capital goods used to produce goods and services; also known as private enterprise

Free goods

Items that can be obtained without money

Free time

Time that is free of scheduled or planned duties and responsibilities

Full warranty

A warranty that covers the entire product

Full-service broker

A broker who executes basic trades as well as offers investment planning, advice, and other services; charges high commission

Functional conflict

A disagreement that is tangible or concrete; often occurs when two parties share a common goal, but approach the process in a different manner

Functional structure

An organizational design in which the firm is broken into traditional departments, each with its own set of responsibilities and activities

Fund manager

Professional who makes investment decisions for a mutual fund

Fundamental analysis

In investing, the study of all aspects of a company in an effort to understand its intrinsic value

Fundamentals

The aspects of a company that affect its intrinsic value

Funding

Money available to a business from one or more sources

Futures

A category of derivatives giving investors the opportunity to buy or sell the rights to an asset according to contracted terms; types are physical delivery and cash settlement

G

Gantt chart

A visual representation of the elements in a project schedule and how they re-late to and rely on each other

Gender

Sex (male or female)

General partnership

A type of partnership agreement in which all partners are liable for a business's losses; also known as ordinary partnership

Generation X

A term used to refer to individuals who were born between the years 1965 and 1980; also known as Gen X

Generation Y

A term used to refer to individuals who were born between the years 1981 and 1995; also known as the Millennials

Generic item

An unbranded product that is plainly packaged, has lower or standard quality, is sold at a lower price than a branded product, and receives little or no promotion

Geographic origin

The part of the world and the type of area from which a person has come

Geographic segmentation

The division of a market on the basis of where customers are located

Gesture

A movement of the body or limbs that expresses or emphasizes an idea, sentiment, or attitude

Gestures

Movements of the body or limbs that express or emphasize an idea, sentiment, or attitude

Give-and-take

A negotiating technique that involves giving another party something s/he wants and receiving something desired, in return; also called bargaining or compromise

Global positioning system (GPS)

A navigational system that uses satellite technology to determine location and provide directions

Global trade

The buying and selling of goods and services among nations

Globalization

The rapid and unimpeded flow of capital, labor, and ideas across national borders

Goal

An objective or want that you plan to fulfill; a statement that clearly describes a task to be accomplished

Goal setting

The ability to visualize, set, and focus on achieving business objectives

Goals

Things that businesses want to attain; objectives

Good

A tangible object that can be manufactured or produced for sale

Good cop/Bad cop

A negotiating strategy involving at least two people on one side of the negotiation; of the two, one is reasonable and agrees with the opposing party, while the other is unreasonable and disagrees with the opposing party

Goods

(Marketing) Tangible objects and materials.

(Operations) Tangible objects that can be manufactured or produced for resale.

Goodwill

Positive feelings toward a business; an advantage that a business acquires beyond the value of its products or services

Governance mechanism

Rule or regulation used to ensure that a project stays on track and meets its requirements

Government

A country's arrangement for making and enforcing laws

Government accountant

A person who prepares, analyzes, and verifies financial data for the government as well as for private organizations that are subject to government regulation and taxation; may serve as a bank examiner or IRS (Internal Revenue Service) auditor

Government purchases of goods and services

A factor used in calculating GDP that includes all purchases made by the government and the wages of all government workers

Grades

Ratings assigned to products that tell to what extent standards were met

Grand-scale goal

A big, long-term goal

Grapevine

An oral communication method in which information is passed around but not formally announced or verified

Graph

A drawing that shows numerical information to indicate relationships or trends

Grievance procedures

A formal method of settling disagreements between workers and employers

Gross domestic product

The final market value of the total output of all goods and services produced within a country's geographic boundaries during a year's time

Gross domestic product (GDP)

The final market value of the total output of all goods and services produced within a country's geographic boundaries during a year's time

Gross domestic product per capita

The average productivity of individual workers calculated by dividing the gross domestic product by the worker hours required to produce it

Gross private domestic investment

A factor used to calculate GDP that includes the value of all capital goods created in the economy during the year and inventories held by business firms from current year's production

Gross profit

Money left after the cost of goods expense is subtracted from total income

Gross profit margin

Financial ratio that shows how efficiently a business uses material and labor in the production process; calculated by dividing gross profit by total sales

Ground rules

Basic rules for operating a group discussion

Group

People working individually under the guidance of an assigned leader to achieve pre-established goals

Group sales

In sports, the marketing of seats and ticket packages to social organizations

Growth company

A company whose sales and earnings per share grow at a rate greater than that of the market; may be large-cap, mid-cap, or small-cap

Growth stage

The product life cycle stage in which sales rise rapidly

Growth stocks

Stocks that achieve capital appreciation rather than paying dividends

Growth strategy

A marketing strategy intended to increase market share or sales

Guarantee

A promise made to the consumer that a product's purchase price will be refunded if that product is not satisfactory; often called a money-back guarantee

Guideline

A general boundary line for judging accuracy

Guidelines

Recommended procedures to follow

H

Habit-forming substances

Drugs and alcoholic beverages that cause mental and/or physical addiction

Hallmark sport events

Popular championships or tournaments that take place only at certain times, such as once a year or once every four years (e.g., the NCAA Final Four or the World Cup)

Harassment

Any kind of unwelcomed behavior that is carried out for the purpose of annoying or intimidating another person

Hardware

The physical components of a computer system (e.g., the central processing unit, hard drive, modem)

Harvesting

A strategy in which a company continues to offer a declining product but reduces its costs as much as possible

Hazard risks

Potential events and situations that can cause injury or harm to people, property, or the environment

Herd mentality

In investing, purchasing popular stocks

Heterosexual

An individual whose sexual preference is directed toward members of the opposite sex

Hidden Benefit

Advantage of product not recognizable unless pointed out by salesperson

High-context culture

A culture that relies heavily on nonverbal communication to get messages across

Hijab

A head scarf worn in public by some Muslim women; can also be used to describe the Islamic dress code for Muslim women, which requires them to dress modestly in public

Hofstede's dimensions of national cultures

Measures of different aspects of society based on the experience and research of Geert Hofstede

Holding cost

The money it takes to keep inventory in stock

Home-based business

A company that is operated in a residential dwelling

Homosexual

An individual whose sexual preference is directed toward members of the same sex

Honest

Truthful

Honesty

Truthfulness

Horizontal conflict

A type of channel conflict that occurs between channel members at the same level (e.g., two retailers)

Hospitality

In event marketing, an activity that involves welcoming special guests and arranging for travel, accommodations, meals, and entertainment

Household sector

A segment of the economy that does not include government or business; those making purchases for personal consumption

Human billboards

Individuals who have been hired to wear tattoos (either temporary or permanent) that advertise specific companies or products

Human capital

The sum of a person's or a group's knowledge, skills, health, and values; the intangible human talent that is brought to a task

Human directionals

Individuals wearing or holding signs to advertise a business or product

Human relations

The ways that people form and conduct relationships with one another

Human resource management

A career area in which employees focus on the staffing activities that involve planning, recruitment, selection, orientation, training, performance appraisal, compensation, and safety of employees

Human resources

People who work to produce goods and services

Human resources management

The process of planning, staffing, leading, and organizing the employees of the business

Human risks

Chances of loss caused by human weaknesses and unpredictability

Human-services programs

Benefits such as free health care, education, and welfare that are provided by a government to its citizens

Humility

A lack of pride

Hybrid

A form of business ownership that combines elements of corporations and either sole proprietorships or partnerships

Hybrid structure

A form of business ownership that combines elements of corporations and either sole proprietorships or partnerships

Hygiene

The habits and practices of cleanliness and care you perform regularly to take care of yourself and your body

Hypothesis

A statement of the expected outcomes of a research project

I

Idea

a formulated thought resulting from a representation of a concept within the mind

Idea generation

the conscious or unconscious process of thought formulation

Ideal market exposure

Ensuring that a product is available to the target market without overexposing the product

Ideation

the process of generating and developing new ideas

Idiom

Expressions that can't be taken literally, such as "I'll sleep on it"

Ignorance

Lack of knowledge or information

Ignoring

A conflict response mode in which one or both parties exhibit passive behavior and express a low level of cooperation; also called withdrawal

Illegal

Prohibited by law

Image

The way something is viewed

Impact

The effect or influence of an event

Impatient customers

Customers who feel they must be helped immediately, regardless of the circumstances

Implement

To do or to take action

Implementation

The process of doing or taking action

Implied warranty

An unwritten, unspoken warranty understood by the customer and the seller that the product will perform as expected

Importing

The process of buying goods and services from other nations

Imports

Goods and services bought from other nations

Impulse item

Any item purchased as a result of an on-the-spot decision to buy

Impulsive personality

A basic type of customer personality characterized by the customer's asking few questions, buying to meet inner needs and wants, selecting items quickly, shopping leisurely, and/or wanting purchases to be noticed

Impulsive spending

Spending that is the result of an on-the-spot decision and not part of an overall spending plan

In-game promotions

In sport marketing, a team or organization's attempt to communicate with and entertain fans during the course of play

Incentive

A reward that motivates a channel member to achieve a specific goal

Incentives

A function of relative prices that encourages producers to change and reallocate their resources; motivators

Incident log

A record of accidents, injuries, and other mishaps occurring at a particular business or in a certain department

Income

The money received by resource owners and by producers for supplying goods and services to consumers

Income statement

A financial summary that shows how much money the business has made or has lost over a period of time; also called the profit-and-loss statement

Income stocks

Stocks that pay a higher-than-average dividend

Indecisive customers

Customers who frequently have great difficulty in making a choice or a buying decision

Independence

The ability to think and act on your own and complete tasks without the direction of others

Independent union

A union that does not belong to a federation

Independent variable

A factor whose value is not affected by other factors

Index

A measure of average stock prices that gives a general indication of a particular market, or the market as a whole

Index fund

A stock portfolio that copies the performance of a particular stock market index, such as the S&P 500 or the Nasdaq 100

Indirect competition

Rivalry between or among businesses that offer dissimilar goods or services

Indirect distribution

A channel of distribution in which goods and services move from the producer to the channel members and then to consumers or industrial users

Individual brand

A category of brands in which different brands are used for products owned by one company

Individual Retirement Account (IRA)

A tax-deferred retirement plan, usually for people not covered by a 401(k) plan

Individualism

An emphasis on independent work and accomplishments

Individualist society

A society in which group ties are loose and everyone is expected to take care of her/himself

Industrial distributor

A channel member that buys industrial goods and sells them to industrial users

Industrial goods

Tangible items that will be consumed by industrial users

Industrial goods and services

Products purchased by producers for resale, to make other goods and services, and/or to use in business operations

Industrial market

A customer or potential customer who purchases items for use in the operation of a business, for resale, or for making other goods

Industrial union

A union made up of workers in the same industry

Industrial user

A business that buys materials, services, or goods which will be used to make other goods or which will be used in the operation of the company

Industrial user:

A business that buys materials, services, or goods that will be used to make other goods or used in the operation of the company

Industriousness

Willingness to work hard

Industry

All of the businesses that operate within a specific field of work

Industry trend

The direction in which a particular industry is moving, e.g., sales in a particular industry may be increasing or decreasing

Inelastic demand

A form of demand in which changes in price do not affect demand

Inflation

A rapid rise in prices that may occur when demand exceeds supply or when productivity declines and costs of labor go up

Infomercial

Lengthy commercial that looks like a television program

Inform

To expand an audience's knowledge or give them a new skill; a purpose of oral presentation

Informal education

Knowledge acquired through life experiences

Information

Knowledge, facts, or data presented in a useful form

Information management

The process of accessing, processing, maintaining, evaluating, and disseminating knowledge, facts, or data for the purpose of assisting business decision making

Information overload

Communication that is too much and/or comes too fast to process at one time

Information reporting

Moving information through the appropriate channels or making information accessible to those who need it

Informed personality

A basic type of customer personality characterized by the customer's displaying confidence in choices, spending for quality, being a trendsetter, and/or wanting the best

Infrastructure

The basic roadways, utilities, and other services (police, fire, etc.) that create a foundation for a society

Inhibitions

Feelings that hold you back from doing something

Initiative

Willingness to act without having to be told to do so; willingness to accept/seek additional or unpleasant duties; exceeding employer's expectations

Injunction

A court order forbidding someone from carrying out an act, e.g., an injunction against picketing

Innovation

Something new, such as a new product, strategy, or process

Innovative

Able to come up with something new

Innovative management

A style of management that is more participative and facilitative than traditional, controlling management

Input

Contribution of information

Inputs

The specific economic resources used in producing goods and services

Inquiry

Asking a database to retrieve information in the sequence you desire

Insider trading

When a company's owners, directors, or key management trade its stock; illegal when trading on information that is not disclosed to the public

Insiders

Owners, directors, and key management of a company

Insight

The “Aha!” moment when an answer comes to you

Installations

Industrial goods that are used to produce other goods and services

Installment credit account

A type of credit account set up to handle one total amount of credit which is to be paid off in regular installments

Institutional investors

Mutual fund managers, large investment firms, and significant holding companies who invest in the stock market

Institutional promotion

A type of promotion that aims to create a certain image in the eyes of customers; also known as corporate promotion

Insulting customers

Customers who intentionally make unpleasant remarks or use foul language

Insurance

A contractual agreement in which one company (insurer) will pay for specified losses incurred by the other company (insured) in return for installment payments (premium)

Insurance agent

A person who sells insurance policies; may sell a variety of other financial products and services as well

Insurance carrier

A large company that provides insurance and assumes the risks covered in the policies

Intangible

Not capable of being detected through the senses

Intangible asset

An asset that is not physical in nature; in investing, intangible assets include copyrights, patents, intellectual property, goodwill, etc.

Integrity

Adhering to an established set of personal ethics and sound moral principles

Intellectual property

Intangible business assets resulting from thinking processes

Intelligence

The ability to know or learn

Intelligence quotient

A number used to express the cognitive intelligence of a person based on a standardized test; also called IQ

Intensive distribution

A distribution pattern in which a producer sells a product through every available wholesaler and retailer in a geographic area where consumers might look for it

Intention

The purpose one has in mind

Interdependency

Persons relying on each other to accomplish something

Interdependent

Influencing or relying upon one another

Interest

The fee which lenders charge borrowers for the use of credit

Interest rate

The percentage figure used in calculating interest charges

Interest-rate risk

The possibility of loss due to a rise in interest rates over a period of time

Interests

A person's needs or wants

Intermediaries

Channel members operating between the producer and the consumer or industrial user to help in the movement of goods and services

Intermediate products

Items that are part of other finished products

Intermediate-term time horizon

An investing time frame of 5 to 15 years (some sources say 3 to 10 years)

Intermittent production process

A production process in which production periodically stops and then restarts

Internal accountant

A person who prepares, analyzes, and verifies financial data for corporations or other organizations, with an emphasis on checking for fraud or waste

Internal branding

The process of building a business's corporate brand among its employees; educating employees so that they understand and embrace the values, personality, and promise of their corporate brand

Internal conflict

Conflicting thoughts or ideas within yourself

Internal customers

The people (i.e., employees) who work cooperatively together to achieve business goals

Internal data

Facts and figures located inside the company

Internal distraction

A concern or worry on the part of the listener that takes away from his/her ability to attend to the speaker's message, such as hunger or thirst, a personal problem, or poor health

Internal environment

A business's internal, controllable surroundings; consists of elements such as finances, personnel, research and development, production, and marketing

Internal failure costs

The costs associated with catching defective products before they reach customers

Internal feedback

Evaluative information that comes from within you

Internal motivation

Wanting to achieve something for your own satisfaction

Internal Revenue Service (IRS)

A United States federal agency that collects taxes and enforces tax law

Internal rewards

Forces within people that motivate them to perform well, e.g., pride, satisfaction, etc.

Internal sources

Contacts within the school, organization, or club

International Organization for Standardization (ISO)

A non-governmental organization that develops and publishes standards for business, government, and society

Internet

A worldwide network of computers that enables users to access information and communicate with others

Internet telephony

Technology that allows users to communicate over the Internet rather than through traditional public networks

Internship

Training in which schools and businesses cooperate to provide on-the-job practice for learners; learners receive classroom instruction and on-the-job experience

Interpersonal relationships

Interactions between individuals

Interpersonal skills

The ability to communicate, interact, and build relationships with others

Interpret

To explain

Interrelated

Having an effect on or depending upon one another

Interrelated:

Having an effect on or depending upon one another

Intranet

An internal network similar to the Internet that is accessible only by authorized personnel; used to access information and communicate with others within an organization

Intrinsic value

The underlying actual value of a company; a company's actual, fair worth

Introduction stage

The product life cycle stage when the product first appears in the marketplace

Introductory stage

The product life cycle stage when the product first appears in the marketplace

Intuition

Instinct; "gut feelings"

Intuitive problem solving

A problem-solving method that relies on "gut" feelings and flashes of insight

Inventory

Stock of goods

Inventory control

Tracking the amount, the kind, and the value of inventory that a business has on hand

Inventory level

The amount of goods on hand

Inventory record

A document containing information related to the goods that a business has on hand or on order

Inventory valuation

Appraisal of all the stock that a business has on hand

Investing

Building wealth by using money to make money

Investment

The use of money to generate a profit or gain

Investment bank

A firm that specializes in helping corporations and governments issue securities; also aids in complicated financial matters such as mergers and acquisitions

Investment banker

A person who assists clients with the details and strategy that complicated financial matters (such as mergers and acquisitions and issuing securities) require

Investor confidence

The attitudes of investors toward risk

Investors

Those who invest their funds in a business; may be owners or stockholders

Invoice

The formal, printed record of a sale that includes all necessary information as to the buyer, the seller, items purchased, amounts, prices, delivery date, credit or discount terms, etc.

IPO (Initial Public Offering)

The introduction of a corporation's stock to the market

Iron Curtain

A term referring to the ideological separation of East and West during the Cold War

Irritable/Moody customers

Customers who may be pleasant one day and touchy or unpredictable the next

ISO

The International Organization for Standardization

ISO 9000

A set of quality-management standards used by millions of organizations worldwide

Issuer

The corporation or governing body borrowing a bond investor's money

J

Jargon

Specialized language known only to a certain group of people

Job description

Explanation of responsibilities and tasks associated with a specific job

Job enlargement

Combining job tasks so that a worker has more responsibility for the completion of a job

Job enrichment

Giving more meaning to a job to increase employee motivation

Job orientation

Job preparation or induction training in which new employees are acquainted with their surroundings, receive general information about the company and its policies, and are given specific information about their jobs

Job position

A worker's assigned duties and the level of authority that goes with her/his job

Job rotation

An instructional method in which employees are rotated periodically from one job to another to broaden the employees' perspective of the business

Job specialization

Becoming an expert in a specific work task

Job specification

Explanation of the skills, knowledge, and characteristics required for a job

Job task

Unit of work assigned to an individual to complete a job

Joint venture

An arrangement that involves two or more businesses entering into a relationship by combining complementary resources such as technology, skills, capital, or distribution channels, for the benefit of all parties

Journal

A special book or computer program in which a business's transactions are recorded in the order in which they occur

Journeyman

A skilled union member who has taken courses in an occupational area, has passed an exam, and has been licensed by the state

Judgment sampling

A non-probability sampling method in which researchers hand-pick respondents based on their knowledge or expertise; also called expert sampling

Judgmental

Inclined to criticize or form opinions

Just-in-time inventory

An inventory method in which goods are ordered so that they arrive when they are needed, rather than being stockpiled

Justice

The practice of treating others with integrity, giving them what they are entitled to by law and by social norms

K

K.I.S.S. principle

A principle for presenting information in straightforward and simple manner (Keep It Straight and Simple)

Knowledge

The intangible combination of human experiences, insights, and intuitions that provide structure for interpreting and reacting to the world around you

Knowledge base

A place for an organization to store and organize its knowledge (usually a database or software program)

Knowledge leader

The person responsible for overseeing an organization's knowledge-management efforts

Knowledge management

The process of creating, identifying, collecting, organizing, sharing, and using knowledge and knowledge sources for the benefit of the organization or business

Knowledge Team

A team of people from a wide cross-section of organizational departments that uses its skills and expertise to assist the knowledge leader in implementing an organization-wide system of knowledge management

L

Labor contract

An agreement between a union and a company outlining the wages, fringe benefits, and rules under which employees will work

Labor union

A group of workers who have joined together for a common purpose to improve the terms and conditions under which employees work

Labor-intensive process

A production process that relies heavily on the skills of workers

Labor:

The work people do or the workers themselves

Laissez-faire leadership

A hands-off leadership style in which the leader assumes little or no responsibility, allowing employees to determine their own work behavior and productivity level

Laissez-faire managers

Managers who assume little or no leadership responsibility, allowing subordinates to determine their own work behavior and productivity level

Large-scale goal

A medium-sized, long-term goal

Lateral relations

The amount of teamwork included in an organizational design

Lateral thinking

a process used to solve problems and generate ideas in purposely illogical ways

Law of demand

Economic principle which states that the quantity of a good or service that people will buy varies inversely with the price of the good or service

Law of supply

Economic principle which states that the quantity of a good or service that will be offered for sale varies in direct relation to its price

Law of supply and demand

Economic principle which states that the supply of a good or service will increase when demand is great and decrease when demand is low

Layaway

A type of sale in which merchandise is removed from the sales floor and held by the business until the customer pays the outstanding balance

Lead

The name of an organization or individual that might be interested in a salesperson's good or service

Leader

An individual with the ability to guide or direct the actions of others in a desired manner

Leadership

The ability to guide or direct the actions of others in a desired manner

Leadership skills

The ability to guide or direct the actions of others

Leading economic indicators

Statistical measures that signal the likely future movement of the economy; typically rise or fall three to 12 months prior to the rest of the economy

Learning goal

A goal involving mastery of a new skill

Lease

A contract to use property that belongs to someone else for a specific period of time and for a specific amount of money

Leave-me-alone customers

Customers who prefer or pretend to prefer to be left alone to find what they want

Ledger

The accounting record for a specific department or area of the business

Legal

Acceptable under the law

Legal record

Documents containing information relating to or concerned with the law

Lending investments

Investments in which lenders allow borrowers to use their money during a period of time for a specified fee or rate of interest

Lessons-learned document

A project-end summary of what went well, what didn't go well, and how to improve in the future

Letter of intent

A document communicating what a person or business intends to do within (or during) a specific time frame

Leverage

The amount of power one person holds during a negotiation

Liabilities

Responsibilities of the business, especially legal responsibilities

Liability insurance

A contractual agreement that provides compensation for losses that a person or business is responsible for

License

A permit to import or export goods and services

Licensed merchandise

Goods that carry the name or logo of a sports organization that the organization has authorized a manufacturer to make and distribute for sale

Licensee

The buyer of copyrighted, patented, or trademarked material

Licensing

A business structure that requires the authorization or permission from an owner to another entity to use trademarked, copyrighted (e.g., logo, name), or patented material for a specific activity, during a specific time period, for the profit of both parties

Licensor

The owner of copyrighted, patented, or trademarked material

Lien

A legal claim to an item of property which protects the seller if the buyer does not complete his/her payments

Life cycle

The stages through which goods and services move from the time they are introduced on the market until they are taken off the market

Life phase

Where you are in life (just out of college, single, married, children, no children, close to retirement, etc.); greatly influences your investment choices

Life skill

Basic skill necessary to survive

Lifestyle

The way in which people lead their daily lives; determined by their income, interests, and activities

Limited authority

A negotiating strategy in which one person claims that s/he does not have the authority to make a decision and must consult another person who is not present during the negotiation process

Limited decision

A type of decision that requires some consideration

Limited liability

Restricted chance of loss; a condition in which business owners risk only the amount of their investment

Limited liability company (LLC)

A form of business ownership in which members of a corporation experience limited liability; there is limited taxation on company income, and limited life for the business entity

Limited liability partnership (LLP)

A form of business ownership that is generally used by business professionals for the purpose of protecting innocent partners from the malpractice of the other partners

Limited partnership

A type of partnership agreement in which a partner has limited liability; the liability is limited to the amount of the investment

Limited warranty

A warranty that does not contain the provisions of a full warranty; may cover certain repairs or specific parts

Line authority

Formal, direct authority that affects a business's day-to-day operations

Line of command

See chain of command

Liquidate

To convert assets into cash

Liquidity

The ability to easily convert your investment back into cash

Liquidity ratio

A class of financial ratios that measures the ability of a company to turn its assets into cash (or to pay its bills)

Liquidity risk

The possibility of loss due to the inability to access a financial investment

Load

The transaction fee or commission fee for buying into a mutual fund; may be charged at the time of purchase (front end) or when the fund is sold (back end)

Loan

Money lent to individuals or businesses in exchange for the promise of repayment plus interest

Loan officer/counselor

A person who specializes in finding clients and helping them to apply for loans, such as commercial, consumer, or mortgage

Lobbying

A practice in which a person or group attempts to influence lawmakers to pass or block certain legislation

Local union

The lowest level of union organization; dues are paid to local unions

Lockout

A company pressure strategy in which the business is closed temporarily, and the employees are not allowed to work

Logic

An objective, or neutral, way to make sense of the facts by considering some facts more important than others

Logical

Using reason in an orderly way

Logistics

Refers to managing the flow of goods and services from production to consumption

Logo

A distinctive symbol, design, or group of letters

Long-term goal

An objective that will take a year or more to reach

Long-term goals

Objectives that will take a year or more to reach

Long-term liabilities

Debts that will take longer than a year to pay, e.g., a mortgage

Long-term oriented society

A society in which people focus on future rewards and value actions such as persistence and saving money; typically associated with Eastern cultures

Long-term time horizon

An investing time frame of at least 10 to 15 years

Lose-Lose

A negotiation outcome in which both people do not receive what they want; often a result when using the avoidance negotiating style

Lose-Win

A negotiation outcome in which one person gives up or accommodates the other person with the hope of gaining something in a future negotiation; often a result when using the accommodating negotiating style

Low-context culture

A culture that relies more on verbal communication than on nonverbal communication

Loyalty

Faithfulness and devotion to a person or an ideal

Lucrative

Profitable

M

Magnuson-Moss Warranty Act

A federal law which provides guidelines to businesses that offer warranties and guarantees with their products and protects consumers who buy those products

Mail interview

Surveying individuals via the postal service to obtain research data

Maintenance margin

A minimum financial requirement for the privilege of using borrowed funds to trade investments

Majority rule

A decision-making method in which a group's majority makes the decision

Make-or-buy decision

The act of determining whether to produce a needed part or purchase it from a supplier

Malfunction

A failure to perform properly

Management

The process of coordinating resources in order to accomplish an organization's goals

Management accountant

A person who prepares, analyzes, and verifies financial data for corporations or other organizations, with an emphasis on budgeting, asset management, and preparing reports for public disclosure; often part of high-level teams responsible for making important business decisions

Management function

Groups of activities related to management, i.e., planning, organizing, staffing, directing, and controlling

Management information system (MIS)

An integrated technology that assists with an organization's information management needs

Management style

How an individual approaches the task of supervising

Manager

An individual responsible for the coordination of resources in order to accomplish an organization's goals

Managerial accounting

A type of accounting that involves preparing and reporting financial data to internal users, usually managers, who need financial information to control day-to-day operations and to make financial decisions and plans affecting the business

Managerial fee

The charge for managing a mutual fund

Manipulate

To control others to your own advantage

Manufacturer

A type of producer that changes the shapes or forms of materials so that they will be useful to consumers

Manufacturer's brand

Brand for which the manufacturer assumes all the responsibility of branding

Manufacturing

Changing the shapes or forms of materials so that they will be useful to consumers

Margin

In investing, borrowed money used for maximizing profit potential

Mark-up

The difference between the cost of a product and its selling price

Market

Any circumstances under which buyers and sellers exchange goods or services for a price

Market analysis

A systematic study of the market

Market capitalization

An indicator of the size of a public company, as measured by the total dollar value of its stock; calculated by multiplying share price by number of outstanding shares; companies are often categorized as small cap, mid cap, or large cap, though the specific dollar categories vary by source

Market economy

An economic system in which the questions of what, how, and for whom goods will be produced are answered by individuals and businesses in the marketplace

Market exit strategy

A marketing strategy a company uses when taking a product off the market

Market opportunity

Situation that occurs when an economic want exists and there is an idea for a good or service to fulfill that want; a good or service that people are willing and able to buy

Market orientation

A strong focus on meeting customer needs and wants

Market position

The rank of a particular business in a specific market

Market price

Actual price that prevails in a market at any particular moment

Market research

The systematic gathering, recording, and analyzing of data about a specific issue, situation, or concern that affects a market

Market research & development

The systematic gathering, recording, and analyzing of data about a specific issue, situation, or concern, and the use of that data to create and implement plans to reach new target audiences

Market saturation

A state that occurs when a product has been distributed throughout the population and the only chance for increased sales comes with population growth or a shift in market share

Market segment

One of the groups into which the total market is divided

Market segmentation

The division of a total market into smaller, more specific groups

Market share

An organization's portion of the total industry sales in a specific market

Market share analysis

A breakdown of market share data that allows a company to measure its sales performance against those of its competitors

Market structure

The type of market, or environment, in which businesses operate

Market timer

An investor who uses the "buy low and sell high" trading strategy; also known as trader

Market timing

A form of the “buy low and sell high” trading strategy, in which investors purchase securities at low prices and sell them at high prices to profit from the difference

Market value

In investing, the economic viewpoint that a stock is worth whatever people are willing to pay for it; also sometimes used as a synonym for market capitalization

Market-clearing price

Equilibrium price

Marketable bonds

Bonds that can be bought and sold in the open market

Marketing

The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large

Marketing campaign

A business's organized efforts to promote a certain product or line of products

Marketing communications

A career area in which employees focus on marketing activities that inform, remind, and/or persuade the targeted audience

Marketing Concept

A philosophy of conducting business that is based on the belief that all business activities should be aimed toward satisfying customer wants and needs while achieving company goals

Marketing functions

Interrelated activities that must work together to get goods and services from producers to customers

Marketing information

All the marketing-related data available from inside and outside the business

Marketing intelligence

Marketing data that are gathered informally from internal and external sources; may or may not relate to any current issue or project

Marketing management

A career area in which employees focus on all marketing functions, including channel management, marketing-information management, pricing, product/service management, promotion, and selling

Marketing mix

The combination of the four elements of marketing—product, place, promotion, and price

Marketing objectives

The goals a firm seeks to reach with its marketing plan

Marketing plan

A set of procedures or strategies for attracting the target customer to a business

Marketing research

The systematic gathering, recording, and analyzing of data about a specific issue, situation, or concern

Marketing strategy

Plan of action for achieving marketing goals and objectives

Marketing-information management

A marketing function that involves gathering, accessing, synthesizing, evaluating, and disseminating information

Marketing-information management system (MkIS)

An organized way of continuously gathering, sorting, analyzing, evaluating, and distributing marketing information

Marketing-research design

The master plan for conducting marketing research; lays out the types of data needed, how much data to collect, what collection methods to use, and how data will be analyzed

Marketplace

Anywhere the buying and/or selling of goods and services takes place

Markets

Arrangements for the buying and selling of goods and services

Masculine society

A culture that values "masculine" qualities, such as assertiveness and status

Mass marketing

Designing products and directing marketing activities to appeal to the whole market; also known as undifferentiated marketing

Mass production

The rapid production of large quantities of a product

Master

A skilled union member who has worked as a journeyman and who is a team leader for other employees in the same occupation

Master budget

The overall budget of a company, made up of information from specialized budgets that are generated by individual departments

Master licensee

A person or firm who helps franchisors find franchisees in a particular region or territory

Material resources

Equipment and supplies used by businesses in their operation

Materials

Industrial goods that become part of the finished product after they have been processed

Matrix structure

An organizational design that combines the traditional functional structure with the divisional structure

Maturity date

The date a bond is to be repaid

Maturity stage

The product life cycle stage in which sales peak and then increase at a slower rate or start to decline

Means of production

All the resources required in the production of goods and services

Measurable goal

A goal that can be counted or measured in some way

Media

The message channels used by a seller to promote a good, service, or idea, e.g., radio, television, newspapers, magazines, Internet

Mediation

The process in which a neutral, third person works to help opposing parties resolve a conflict

Mediator

A person or agency that clarifies issues and makes suggestions concerning contract negotiations

Medium

The message channel used by a seller to promote a good, service, or idea, e.g., radio, television, newspapers, magazines

Medium of exchange

Something of value that can be used to obtain goods and services; most common form is money

Memorabilia

Souvenirs, mementos, things collected to remember something

Mental ability

An individual's ability to learn and think

Mental trait

Personal traits associated with intellectual abilities such as remembering, comprehending, analyzing, evaluating, and creating

Mentor

An experienced worker who can act as a guide to new employees

Merchandising

The process of having the right goods in the right place at the right time in order to make a profit

Merchandising allowance

A price reduction offered to intermediaries; often used to entice intermediaries to purchase a particular product or to reimburse intermediaries for their marketing costs

Merger

Two individual businesses that combine to form one organization

Metaphor

a figure of speech in which one idea, concept, or entity is compared to or used in place of another

Meteorologist

Expert weather forecaster

Methodology

A set of principles or guidelines

Mid-level management

Managers who report to top-level management and who have supervisors who report to them

Middle management

Mid-level management

Middlemen

See intermediaries

Mind mapping

A form of brainstorming that organizes ideas and information graphically, using shapes, pictures and words; a creative-thinking technique that involves the generation of ideas by associations

Minor-points close

A closing technique that involves getting the customer to make minor decisions about a purchase before asking for the major decision of whether to buy or not; also known as stimulus-response close

Minority rule

A decision-making method in which a group's minority makes the decision

Misinterpret

Not to understand something as it was intended to be understood

Misrepresentation

Telling the facts in an inaccurate way

Mission

A brief summary of what a business owner wants a business to be doing

Mission statement

A brief summary of what a business owner wants a business to be doing

Mitigation

A risk-response strategy that involves reducing or controlling the impact of a risk if it occurs

Mixed system

An economic system in which individuals make most economic decisions but some government control and ownership exist

Moderate investor

An investor who is willing to tolerate some risk, but not high risk

Monetary policy

The government policy that determines the amount of money that will be in circulation and the level of interest rates

Money market accounts

Lending investments in which individuals lend a minimum amount of money to a bank to earn interest

Money market fund

A pool of shareholders' money invested in securities that earn relatively higher rates of return over the short-term; also called a money fund

Money supply

The total quantity of money that exists at one time in the nation

Monitor

To check on the progress of something periodically

Monopolistic competition

A type of market structure in which a lot of businesses sell similar products that have only a few differences

Monopoly

A type of market structure in which a market is controlled by one supplier, and there are no substitute goods or services readily available

Mood

A person's current attitude or frame of mind

Morale

The state of a person's attitude or outlook on life that affects his/her approach to work

Morality

Goodness or correctness of behavior, especially when it comes to personal actions

Morals

Principles for distinguishing between right and wrong

Morphological analysis

a creative-thinking method to generate ideas by focusing on the details of a situation; involves combining some or all of a product's attributes in different ways to create new things

Motivate

Prompt another person to take some kind of action

Motivator

Force or influence that prompts a person to take some kind of action

Movie theater advertising

Promotional messages shown prior to the screening of a film in a movie theater; also includes posters, stand-ups, and other advertisements present in a movie theater lobby

Multi-level marketing

A business structure that pays commission on sales earned by people at two or more levels; the sales representatives usually work independently of the company; the representatives not only sell products but try to get others to sell them

Multi-stage sampling

A sample design that uses a combination of different sampling methods

Multinational firm

A company that operates on a worldwide scale

Multiple

Another name for the price-earnings financial ratio

Multiple distribution

Distributing a product through many different channels

Multiracial

Having ancestors from two or more races; sometimes called biracial

Municipal bonds

Bonds issued by a local municipality, such as a state, city, or county

Mutual fund

A pool of shareholders' money invested by professional managers in an assortment of different securities

Mutual fund manager

The person in charge of a pool of shareholders' money invested in an assortment of different securities

N

Narrative close

A closing technique in which the salesperson tells a story about other people who successfully made a buying decision and how the product solved their problem

Narrow product mix

A description of the width of a business's product mix offering a limited number of product lines

National/International union

A level of union organization that consists of a number of local unions

Nationalism

A sense of pride in one's own country that can create a resistance to outside influences

Natural monopoly

A single business that influences the entire production of a particular good or service because it is in the best interests of the public for the business to do so

Natural resources

Items that are found in nature and used to produce goods and services

Natural resources:

Items found in nature that are used to produce goods and services

Natural risks

Chances of loss resulting from natural causes such as floods, tornadoes, fires, lightning, earthquakes, or perishability

Need

Something required or essential that is lacking

Need decision

The point at which the customer decides that s/he needs to purchase a good or service that may satisfy a need or a want

Needs

Basic purchases that are essential for survival

Negative attitude

An outlook that focuses on the bad side of things

Negative feedback

Criticism or disapproval

Negligence

Not doing something necessary or required

Negotiating

A conflict response mode in which one or both parties exhibit assertive behavior and express a moderate or high level of cooperation

Negotiating strategy

The plan or technique a person uses to reach a goal or achieve a desired outcome

Negotiating style

Personal characteristics that influence the manner in which a person behaves during the negotiation process

Negotiation

The process of one party reaching an agreement with another party to meet specific needs and wants

Net asset value

The total value of a fund's investment portfolio, minus its liabilities, divided by the number of its outstanding shares

Net asset value (NAV)

The total value of a fund's investment portfolio, minus its liabilities, divided by the number of its outstanding shares

Net change

The difference between a stock's closing price and the previous day's price

Net exports of goods and services

A factor used in the calculation of GDP that is determined by subtracting imports from exports

Net income/profit

Money remaining after operating expenses are subtracted from gross profit

Net income/profit/earnings

Money remaining after operating expenses are subtracted from gross profit

Net profit

Money left after the cost-of-goods expense and the operating expense are each subtracted from the total income

Net profit margin

Financial ratio that shows the percentage of profit after considering all aspects of running the business; calculated by dividing net profit by total sales

Net worth

The total value of the business

Network

A system of computers connected together by telephone wires, cable wires, or other means

New product

A good or service that has not been offered before, has been modified in some way, or is being presented or distributed in a different manner

Niche

The small segment of the total market interested in a subject

No-load mutual fund

A mutual fund without a charge (or commission) paid by the purchaser

Non-dollar security

Investments not using the U.S. dollar

Non-marketable bonds

Bonds that cannot be bought or sold in the open market

Non-probability design

A type of sampling design in which the probability of selecting each sampling unit is not known and the selection process is not random; its results are not considered to be representative of the entire population

Non-profit institutions

Businesses and organizations whose intent is to make enough money to support their mission

Non-sampling error

Any mistake in a research study that occurs outside the sampling process; affects the accuracy of the data rather than the representativeness of the sample

Nondurable Goods

Tangible items that are consumed within a short time

Noneconomic want

A desire for something that can be obtained without spending money

Noneconomic wants

Desires for things that can be obtained without spending money

Nonjudgmental

Accepting people and ideas without being critical

Nonprice competition

A type of rivalry between or among businesses that involves factors other than price, e.g., customer services, modern facilities, trained personnel, and variety of products

Nonprofit business

Business or organization whose intent is to make enough money to support its mission

Nonprofit corporation

A legal business structure that primarily operates for the purpose to serve others—not to make a profit; income is used to cover operational expenses; can be exempt from paying some or all taxes

Nonrenewable resources

Natural resources that may become entirely depleted; natural resources that cannot be replenished after use

Nonresidential investment

The money businesses invest in buildings, equipment, vehicles, furniture, etc

Nonverbal

Communication that involves the use of gestures or facial expressions, rather than the use of words

Nonverbal assertiveness

A confident attitude expressed through body language

Nonverbal communication

Communication that uses body language instead of words or to support words

North American Free Trade Agreement (NAFTA)

An agreement among the United States, Canada, and Mexico eliminating all of their trade barriers

Notes payable

Forms stating that particular loans are to be repaid

Notes to the financial statements

Footnotes that complete the company's financial statements

o

Objection

A point of difference between a customer and a salesperson that may prevent a sale; the customer's reason for not buying

Objective

A point of view or opinion that is not influenced by bias, prejudice, or outside opinion

Objectives

Goals

Objectives:

Goals to be reached

Obligation

Duty; requirement

Observation

A marketing-research method that gathers data by watching consumers

Obsolescence

Becoming outdated because of advances in technology

Obvious Benefit

Advantage of product that is apparent, plain to see, easily recognizable

Occupational Safety and Health Administration (OSHA)

A federal government agency that writes and enforces safety and health standards for businesses

Offended

Caused someone to be uncomfortable, embarrassed, or angry

Offensive

Anything that causes others to feel discomfort, embarrassment, or anger

Offensive language

Words or phrases that are distasteful or insulting

Offshoring

Producing goods in foreign countries; typically involves moving domestic jobs overseas

Oligopoly

A market structure in which there are relatively few sellers, and industry leaders usually determine prices

On-boarding activities

Human resources management tasks that must be performed when a new employee joins the company (e.g., orientation and paperwork)

On-the-job training

The most common method of training; the employee learns by actually performing the job

Online broker

A broker who conducts business on the Internet; full-service and discount brokers may also have online services

Online discount broker

A company or individual that provides investment services through the Internet on behalf of another for a reduced price

Open shop

A union security agreement that does not require employees to join the union or pay dues

Open-door policy

A business practice whereby management encourages communication between employees and their superiors by stating that management's doors are always open

Open-end mutual fund

Fund with no limit on the number of shares it can issue or the amount of money it can hold

Open-ended question

A type of question that requires more than a simple "yes" or "no" response

Open-ended question(s)

A type of question that requires more than a simple "yes" or "no" response

Open-minded

The ability to see different views and perceptions

Open-mindedness

A willingness and ability to consider new ways of thinking

Open-response question

A searching question that requires more than a "yes" or "no" answer

Opening price

The first stock price of the day; also called the open

Operating agreement

A written document signed by members of a limited liability partnership or limited liability company that specifies the terms of the business arrangement

Operating expenses

All of the expenses involved in running a business

Operating profit

The result of subtracting operating expenses from gross profit

Operating statement

Another name for an income statement

Operating system

The process a business uses to manufacture a good or provide a service; consists of people, places, materials, equipment, and information

Operational risks

Possible events and situations resulting from employee actions, core processes, and daily business activities

Operations

The day-to-day activities required for continued business functioning

Operations management

The process of planning, controlling, and monitoring the day-to-day activities required for continued business functioning

Opinion

A person's point of view or belief about a topic

Opportunity

A favorable situation in the environment surrounding your business

Opportunity cost

The benefit that is lost when you decide to use scarce resources for one purpose rather than for another

Opt-in e-mail marketing

Sending electronic promotional messages with a recipient's permission and allowing the recipient to request removal from the subscriber list at any time

Optimism

A positive attitude

Optimist

A person with a positive attitude

Options

A category of derivatives giving investors the opportunity to buy or sell the rights to an asset according to contracted terms; types are calls and puts

Oral directions

Verbal instructions

Oral presentation

A speech that brings an idea to someone's attention

Organizational awareness

Knowing how a business operates, the relationships between key divisions, and who the decision makers are

Organizational chart

A graphical representation of the flow of authority within an organization

Organizational culture

The customs, traditions, and habits of employees working together at a particular firm

Organizational design

The process of structuring a business's people, information, and technology to enable the business to achieve its goals and to be successful; also called organizational structure

Organizational learning

A concept that refers to a firm's ability to accept and respond to change appropriately, becoming as effective and efficient as it can be

Organizational skills

The ability to take ideas and bring each component together in an orderly way to achieve goals

Organizational structure

The company's configuration of employees for accomplishing specific business tasks; how the business is organized

Organizational vision

The future a company's leaders desire to create

Organized participants

Players of sports who have rules and are controlled by groups or sanctioning bodies

Organizing:

The management function of setting up the way the business's work will be done

Orientation

Job preparation or induction training in which new employees are acquainted with their surroundings, receive general information about the company and its policies, and are given specific information about their jobs

Other assets

Any assets not considered part of current assets or property and equipment; e.g., goodwill

Out-of-home media

Promotional media that are delivered to consumers when they are away from home

Outputs

The goods and services produced as the result of combining inputs

Outsourcing

Acquiring assistance from outside organizations/consultants to obtain goods or services to accomplish business objectives or perform primary business activities

Outstanding balance

The remaining amount that is owed to the creditor after the credit user has made a partial payment on his/her account

Outstanding shares

The number of shares of common stock currently held by investors; number of outstanding shares is a critical element in “per share” financial ratios and in capitalization

Over-listening

Listening so hard to the words and details in a message that the main message is lost

Overhead

Business expenses for things such as payroll, rent, and utilities

Overvalued stock

A stock that is priced higher than the company’s perceived intrinsic value

Owned-goods service

A product that involves repairing or changing a good that the consumer has already purchased

Owner equity

The amount an owner has invested in the business, plus or minus profits and losses

Owner’s equity

The amount an owner has invested in the business plus or minus profits and losses

Ownership

The state of possessing a good or service; having full control over a product’s use

Ownership investments

Investments in which individuals purchase a portion or all of an item

P

Padding

Extra resources needed to cover unexpected situations

Paid listings

Online advertisements that appear near the top of search engine results; may appear to the right of regular listings; often referred to as “sponsored” or “featured” results

Par value (or face value)

The original bond amount that is to be repaid at maturity

Parameter

Limit or boundary

Paraphrasing

Restating a message in other words in order to confirm or clarify its meaning; does not involve judgment or evaluation

Partiality

Favoritism

Partially finished goods inventory

The producer's inventory of products that are works-in-progress

Participant

One who participates or takes part

Participative decision-making

The involvement of several individuals in making decisions; in business, the participation of employees in decisions to be made by management

Partnership

A form of business ownership in which the business is owned by two or more persons

Partnership agreement

A written document signed by business partners which specifies the terms of the partnership arrangement

Parts

Industrial goods that become part of finished goods without any additional processing

Passion

A strong feeling of enthusiasm, determination, and devotion

Passive behavior

Conduct in which people fail to exercise their own rights and to respect their own needs

Passive management

A style of mutual fund management that does not attempt to "beat the market"; the buy-and-hold approach

Passiveness

An attitude based on the desire to avoid conflict

Patent

Legal protection of an invention or a process granted by government to its owners for a certain number of years

Patience

The ability to endure life's aggravations and difficulties calmly

Patronage

Loyalty to a particular business

Patronage motives

Emotional or rational reasons for buying which cause people to choose one business over another

Patronage promotion

A type of institutional promotion designed to promote a firm's features or prestige

Pay-per-click link

An online advertisement placed by advertisers who pay their web host a fixed amount each time someone clicks on the ad

Payroll

The sum of money paid to employees in a given period

Payroll record

A document about the sum of money paid to an employee in a given period

Peak

The phase of the business cycle considered the high point of economic activity when demand begins to exceed the production capacities of producers

Penetration pricing

A pricing strategy that involves setting prices lower than those of the competition

Penny stock

Speculative stocks that sell at very low prices, usually \$1 or less per share

Pension plan

A system for paying employees after they have retired from the company

Perfect competition

A market structure in which there are many businesses selling a lot of identical products for about the same price to many buyers; also known as pure competition

Performance evaluation

A formal assessment by the supervisor of a worker's job performance that lets the worker know how s/he is doing on the job

Performance goal

A goal that is described by the level of performance reached or by a task completed

Performance review

A formal assessment by the supervisor of a worker's job performance that lets the worker know how s/he is doing on the job

Perishability

A product's ability to withstand being stored

Perishable

Fleeting; going away quickly

Permit

A document that grants permission to do something

Perpetual inventory system

An inventory method that updates inventory information on a continuous basis

Perseverance

Continuing with a project or course of action in spite of problems or discouragement

Persistence

The ability to continue working at a task or idea until the desired outcome is achieved

Personal appearance

The physical image created by how you look and what you wear

Personal authority

Authority either assumed or thrust upon an individual because of personality traits, physical features, or characteristics; informal authority

Personal code of ethics

Guidelines for applying morals to our daily lives

Personal code of ethics (behavior)

The way a person behaves based on his/her internal beliefs and standards

Personal consumption expenditures

A factor used to calculate GDP that includes the final market value of all services and new and used goods purchased for consumption by individuals and nonprofit organizations

Personal financial advisor

A person who provides individuals and families with guidance for their investment and financial decisions; may also buy and sell certain financial products; also known as a financial planner or a financial consultant

Personal identification number (PIN)

A number you choose to gain access to an account

Personal interview

A face-to-face conversation in which a researcher surveys an individual to obtain research data

Personal ownership

Considering a task your very own; viewing a task or objective as your responsibility

Personal responsibility

Taking ownership of your behavior and the consequences of your behavior

Personal Selling

The form of promotion that determines client needs and wants and responds through planned, personalized communication that influences purchase decisions and enhances future business opportunities

Personal skills inventory

Assessment tool designed to help determine strengths and weaknesses

Personal sources

Contacts that each individual has through his/her customers, friends, or relatives

Personal training

The sport product that involves doing something to better yourself in a sport

Personal trait

A personal characteristic expressed by a consistent pattern of behavior

Personality

An individual's qualities or traits and behavior

Personnel record

A document containing information about an employee

Perspective

Outlook; point of view

Persuade

Use argument or explanation to promote an idea or belief

Persuasion

Ability to get people to see things your way, to do things your way, or to agree with you

Persuasive

Convincing; influential

PERT chart

Program Evaluation and Review Technique; a statistical tool that analyzes project tasks and aids in creating an appropriate project schedule

Pessimist

A person with a negative attitude

Philanthropic

Voluntarily generous

Phishing

An online identity-theft scam that fools its victims into believing they are submitting sensitive, personal information (such as credit card numbers or bank passwords) to a legitimate web site

Physical attributes

An individual's physical characteristics, such as hair color, height, weight, etc.

Physical condition

A person's overall health

Physical resources

Material items used to accomplish another activity

Physical traits

Personal traits such as age, sex, height, weight, coloring, build, posture, grooming, and general health

Picket

A union member involved in a picketing strategy (carrying signs, chanting slogans, etc.)

Picketing

A union pressure strategy in which union members stand near a company's entrance during a conflict or strike, often carrying signs and chanting slogans

Piggyback franchise

A form of ownership in which a retail franchise operates within the facilities of another store; often referred to as the host

Pilot study

A small-scale research study used to test the feasibility of a project or idea

Place

Marketing element focusing on considerations in getting a selected product in the right place at the right time

Place (Distribution)

Marketing element focusing on considerations in getting a selected product in the right place at the right time

Place decision

The decision to buy from a certain business

Place utility

Usefulness created by making sure that goods or services are available at the place where they are needed or wanted by consumers

Planning

The management function of deciding what will be done and how it will be accomplished

Planning tool

A chart or computer software program used for project planning

Platform project

A business endeavor that is a major departure from existing projects; creates something entirely new

Podcast

A digital recording that is distributed over the Internet and downloaded to a computer or mobile device for playback

Point-counterpoint

Method of answering objections in which the salesperson agrees on a valid point made by the customer and then answers the point by offering an equal or superior point; also referred to as superior point or counterbalance method

Political climate

Government environment

Political stability

The degree to which a government is free from turmoil

Ponzi scheme

An investment scam that lures in new investors by promising high rates of return with little to no risk

Pop-up ads

Promotional messages that appear in a separate browser window

Portable hard drive

A small, lightweight electronic storage device that can be used with any computer containing a USB drive; examples of portable hard drives include flash drives, memory sticks, and thumb drives

Portal

Popular starting point for surfing the Web; a gateway to the Web; a directory that offers a variety of features such as news, chats, weather, etc.

Portfolio

An investor's complete collection of investments, including stocks, bonds, and mutual funds

Position

Image or impression of a business or organization that consumers have in their minds

Positional authority

Authority and responsibility officially assigned to an individual who holds a position and/or a title on an organizational chart; formal authority

Positioning

A product mix strategy in which a business creates a certain image or impression of a product in the minds of consumers

Positive attitude

An outlook that focuses on the good side of things

Positive feedback

Praise or approval

Positive self-talk

A way to think positively by giving yourself a “pat on the back” for your abilities and successes

Possession utility

Usefulness created when ownership of a product is transferred from the seller to the user

Post-purchase touch points

All the opportunities that businesses have after sales transactions to connect with customers and reinforce their brand values

Poster panels

Outdoor advertising space on which posters containing advertising messages are affixed; also known as billboards

Posting

Transferring accounting information from a daily journal to the appropriate ledger

Posture

The way in which you hold your body when sitting, standing, etc.

Power

A person's ability to give another person a specific need or want

Power distance

A dimension of national culture that refers to how accepting less-powerful members of a society are of the inequality within the society

Practical or frugal personality

A basic type of customer personality characterized by the customer's being cautious; disliking experiments; looking for a simple, uncluttered life; and/or looking for value

Pre-purchase touch points:

All the opportunities that businesses have before sales transactions to connect with customers and reinforce their brand values

Pre-tax profit

The result of subtracting the interest expense from the operating profit

Prediction

A forecast made about the future

Predictive research

Marketing research used to help the business forecast future business developments

Preferred stock

A basic share of ownership in a corporation that comes with extra privileges but no voting rights

Prejudice

Opinion or judgment that is based on feeling or hearsay, rather than fact; bias

Premium bonds

Bonds available for purchase above par value

Preparing to sell

The phase of the selling process in which the salesperson acquires knowledge about the product, generates and qualifies sales leads, and prepares the sales presentation

Prescribing solutions

The phase of the selling process in which the salesperson recommends specific goods or services which meet the customer's needs

Prevention costs

The costs associated with planning and implementing quality so that defective products aren't created

Price

Marketing element requiring marketers to determine the amount of money they will ask in exchange for their products

Price ceiling

A maximum legal price that businesses can charge for certain products

Price competition

A type of rivalry between or among businesses that focuses on the use of price to attract scarce customer dollars

Price control

A government's determination of what price a product can be sold for

Price controls

Government restrictions on the minimum and/or maximum prices of certain products

Price deals

Illegal agreements to price products in a particular manner

Price decision

The decision a customer reaches on the price s/he is willing to pay for a good or service

Price discrimination

An illegal activity in which a business charges different customers different prices for similar amounts and types of products

Price fixing

Illegal business agreement in which businesses agree on prices of their goods or services, resulting in little choice for the customer

Price information

A function of relative prices that is necessary for consumers, producers, and resource owners to make important economic decisions; data concerning value/cost

Price skimming

A pricing strategy that involves setting prices higher than those of the competition

Price supports

Assistance by government in maintaining the price of a good or service to enable the producers to earn a profit

Price-directed system

A descriptive term for the American private enterprise economy because price determines what people buy, the jobs they take, the success or failure of businesses, and the products that will be produced

Price-earnings (PE)

Financial ratio that shows how much investors are willing to pay for each dollar of earnings; calculated by dividing a stock's share price by earnings per share; often referred to as the multiple

Price-earnings and growth (PEG)

Financial ratio that considers price, earnings, and growth, allowing investors to gauge whether the market's expectations for earnings are in line with projections for growth; calculated by dividing projected PE by projected EPS growth

Price-earnings ratio (P/E)

Financial ratio that shows how much investors are willing to pay for each dollar of earnings; calculated by dividing a stock's share price by earnings per share; often referred to as the multiple

Price-earnings ratio (PE)

Financial ratio that shows how much investors are willing to pay for each dollar of earnings; calculated by dividing a stock's share price by earnings per share; often referred to as the multiple

Price-tag switching

A type of fraud by which a higher priced tag is removed from goods and replaced by a lower priced tag

Pricing

A marketing function that involves determining and adjusting prices to maximize return and meet customers' perceptions of value

Pricing objectives

Goals a company hopes to accomplish through its pricing strategies

Primary data

Facts and figures collected specifically for the problem or project at hand

Primary dimensions of diversity

Inborn differences that cannot be changed and affect a person's entire life; include such characteristics as age, gender, race/ethnicity, nationality, physical traits, and abilities (both mental and physical)

Primary information

Marketing information developed from data that are collected for use in one particular situation

Primary product promotion

A type of product promotion intended to stimulate demand for an entire class of goods or services

Primary research

Research that generates data that are new and specific to the problem or project at hand

Prime interest rate

The interest rate at which banks borrow from each other; banks offer this rate to their best credit customers

Principal

The original amount of a loan on which the amount of interest is based

Printed direct mail

Sales letters, catalogs, folders, booklets, and postcards delivered through the postal service

Prioritize

To determine the order for completion of activities based on their importance

Priority

The order of importance of your activities

Private brand

Brands owned by intermediaries

Private corporation

A type of corporation owned by a few people that does not offer its shares for sale to the general public; also known as closely held, or close, corporation

Private enterprise

An economic system in which individuals and groups, rather than government, own or control the means of production; also known as free market economy, private profit system, market system, capitalistic system, or free enterprise system

Private enterprise system

An economic system in which individuals and groups, rather than the government, own or control the means of production—the human and natural resources and capital goods used to produce goods and services. Also known as free market economy, private profit system, market system, capitalistic system, or free enterprise system

Private property

Anything of value that people own

Private sector

That part of the economy that is owned and controlled by individuals and/or businesses

Proactive

Adapting to the environment in advance of the occurrence of events; taking advantage of opportunities rather than reacting to problems

Proactive management

A style of management that involves anticipating and planning in advance for change, rather than simply reacting to outside events when they occur

Probability

The likelihood that an event will occur

Probability design

A type of sampling design in which each sampling unit has a known probability of being selected and the selection process is random; its results are considered to be representative of the entire population

Problem

An issue that needs a solution

Problem solving

Finding solutions to obstacles or problems

Problem-solving

The process of finding solutions to obstacles or problems

Problem-solving skills

The ability to find solutions to obstacles or problems

Problem/solution order

A way of organizing that describes a problem and a plan for solving it

Process

The way in which an activity is carried out

Procrastination

Putting off until tomorrow what could have been done today

Procurement

See purchasing

Producers

The people who make or provide goods and services

Product

Marketing element referring to what goods, services, or ideas a business will offer its customers

Product analysis sheet

A list of a product's features and benefits prepared by the salesperson to assist in the sales presentation

Product brand

A name, term, symbol, or design (or combination of them) that identifies a product and distinguishes it from competitors' products

Product decision

The decision a customer makes on the brand, type, model, etc., to buy

Product decisions

Marketing element referring to what goods, services, or ideas a business will offer its customers

Product demonstration

Actions of the salesperson in the sales presentation that show the product's features

Product development

The efforts involved in the creation of a new product

Product differentiation

A strategy for making a product appear different from similar products on the market

Product elimination

The removal of a weak product from the market and from the company's product mix; also known as product discontinuation

Product item

Each individual good, service, or idea that a business offers for sale

Product knowledge

Information about a specific good or service that can be used in sales presentations

Product life cycle

The stages through which goods and services move from the time they are introduced on the market until they are taken off the market

Product line

A group of related product items

Product manager

An individual who monitors one or more existing products and develops new products

Product mix

The particular assortment of goods and services that a business offers in order to meet the needs of its market(s) and its company goals

Product placement

A type of “other” media that uses products as props in movies, television shows, and computer games

Product promotion

A type of promotion that aims to persuade consumers to buy a good or service

Product standards

Criteria for determining a product’s ability to meet specified guidelines or requirements

Product trade-name franchise

A franchise arrangement based on an independent sales relationship between a franchisor and franchisee to stock and sell a specific line of goods; also known as dealership or exclusive distributorship

Product-mix strategies

The ways in which businesses handle, or manage, their product mixes

Product-related services

Services that are offered with a product such as maintenance, delivery, or repair

Product/service management

A marketing function that involves obtaining, developing, maintaining, and improving a product or service mix in response to market opportunities

Product/Service mix

The particular assortment of products that a business offers to meet the needs of its markets and its company goals

Production

The creation of goods and services from economic resources

Production planning

Determining how products will be produced and in what amounts

Production process

The way in which production is carried out

Productivity

The amount and the value of goods and services produced (outputs) from set amounts of resources (inputs)

Products

Goods and services

Professional development

Steps that an individual takes to enhance or improve skills or traits that are needed to excel in her/his career/profession

Professional union

A union made up of workers in the same profession, e.g., teachers, nurses

Professionals

Athletes who are paid to play a sport, which is often their occupation

Profile

A list of the main characteristics of a person or group of persons that creates a "picture" of the person or group

Profit

Monetary reward a business owner receives for taking the risk involved in investing in a business; income left once all expenses are paid

Profit margin

A ratio of net profit (after taxes) divided by net sales that reflects the profit per dollar of sales

Profit maximization

A profit-oriented pricing objective intended to give the firm the most possible profit

Profit motive

The desire to make a profit which moves people to invest in business

Profit-and-loss statement

Income statement

Profit-and-loss statement:

Income statement

Profit-oriented pricing

A category of pricing objectives that focus on profit for the business

Profitability

The degree or level of profit of a business or a product

Profitability ratio

A class of financial ratios that measures the ability of a company to make a profit

Programmed thinking

a process used to solve problems and generate ideas in logical, analytical, organized ways

Project

A short-term undertaking that creates a unique good or service

Project champion

A project's sponsor; a person who has the ability and authority to assist the project manager in getting the job done

Project charter

A formal document that officially authorizes a project to get underway

Project creep

A problem wherein the scope of a project keeps getting bigger and bigger

Project management

The skills, tools, and processes used to plan, execute, and control the elements of a project

Project manager

Person responsible for overseeing all the activities that are part of a project

Project plan

A detailed plan for completing a project

Project schedule

A document that tracks important dates and deadlines during the life of a project

Project scope

What a project will and will not include

Projection

See prediction

Promissory note

A legal form signed by a borrower promising to repay a loan

Promotion

A marketing function needed to communicate information about goods, services, images, and/or ideas to achieve a desired outcome

Promotion decisions

Marketing element referring to selection of the various types of communications that marketers use to inform, persuade, or remind customers of their products

Promotional budget

The amount of money a business plans to spend on promoting its goods and services during a certain period of time

Promotional items

Small objects distributed to promote the company

Promotional mix

A combination, or blend, of marketing communication channels that a business uses to send its messages to customers (i.e., advertising, sales promotion, personal selling, and publicity)

Promotional record

A document containing information about the various types of communications that businesses use to inform, persuade, or remind customers of their products, images, or ideas

Property and equipment

A company's assets that involve land, buildings, or machinery; sometimes called property, plant, and equipment (PPE)

Proportionately stratified sampling

A type of stratified random sampling in which the sample size from each stratum is dependent on that stratum's size relative to the entire population

Proprietary information

Private information that belongs to an organization and cannot be released to the public

Pros

Positive characteristics

Prospect

Any person or business with the potential to purchase a good, service, or idea; qualified lead

Prospecting

The act of identifying any person or organization with the potential to buy a product and compiling that information in an organized manner for future use

Prospective risks

Risks that have not happened before but could occur in the future

Prospectus

Document containing all vital information about a mutual fund

Prosperity

A state of economic growth

Protectionism

A government's policy to protect domestic industries and businesses against foreign competition

Prototype

An early sample or model of a product

Provision

A clause in a legal document that describes specific requirements or conditions

Proxy statement

A document describing information relevant to shareholders; distributed before a shareholders' meeting as an SEC requirement

Psychographic segmentation

The division of a market on the basis of customers' lifestyles and personalities

Public accountant

A person who prepares, analyzes, and verifies financial data for a variety of clients, including the government, corporations, and individuals

Public business/company

A business owned by investors who trade its shares via a stock exchange

Public corporation

A type of corporation that usually sells millions of shares of stock to many stockholders; must make its financial information available to the general public; also known as an open corporation

Public goods

Goods and services that are used by all people and cannot be withheld from people who don't help to pay for them

Public image

The way people view the business

Public relations

A function of business designed to establish good relations between the business and the public

Public sector

That part of the economy that is owned and operated by government at all levels, e.g., schools, libraries, highway systems

Public-relations promotion

A type of institutional promotion created to deal with controversial public issues that are related to a company or its products

Public-service promotion

A type of institutional promotion that informs customers about noncontroversial issues that are in the public's interest

Publications

Category of advertising media that includes newspapers and magazines that are printed on a regular basis

Publicity

Any nonpersonal presentation of ideas, goods, or services that is not paid for by the company or individual that benefits from or is harmed by it

Pull strategy

A promotional strategy that involves a producer promoting its products directly to the ultimate consumer or industrial user; intermediaries then purchase the products from the manufacturer to meet customer demand

Pump and dump

An investment scam that takes place mostly online; scammers buy a small stock and then hype it up to other investors, causing its price to rise; the scammers sell when the price is high, leaving the victims to deal with the rapid price decline afterwards

Punishment technique

Negative reinforcement given for losing self-control

Purchase agreement

A purchase contract that lists the good or service to be purchased, the quantity to be purchased, the price, terms of delivery, payment information, warranty and guarantee information, and other details as needed

Purchase order

The form that a business fills out to order goods; may be the same as a purchase agreement or purchase contract

Purchase touch points

All the opportunities that businesses have during sales transactions to connect with customers and reinforce their brand values

Purchasing

Buying the resources needed for production

Purchasing process

A series of sequential steps taken by purchasing specialists to buy goods and services for a business

Pure competition

A market structure in which there are many businesses selling a lot of identical products for about the same price to many buyers

Pure monopoly

A condition in which a market is controlled by one supplier, and there are no substitute goods or services readily available

Pure risk

A risk that carries the possibility of loss or no loss

Pure risks

Chances of loss that carry with them the possibility of loss or no loss

Pure services

Services provided to consumers without the involvement of any tangible product

Push strategy

A promotional strategy that involves a producer promoting its products to intermediaries; intermediaries then promote the products to customers

Puttable bonds

Bonds that can be repaid before their maturity date at the request of the lender

Pyramid scheme

An illegal form of multi-level marketing in which emphasis is placed on collecting initial fees from as many people as possible

Q

Qualitative

Based on thoughts, opinions, feelings, or experiences

Qualitative data

Facts and figures based on opinion and personal interpretations

Qualitative measures

Measures that rely on subjective judgment in evaluating quality, such as effectiveness of management, level of competition, innovativeness, etc.; often used with quantitative measures

Quality

The degree of excellence of a good or service—how good it is

Quality assurance

A process businesses use to prevent defective products from being created, not just to eliminate or correct them after they've already been produced

Quality control

Ensuring the degree of excellence of a good or service

Quality improvement

A business's ongoing commitment and willingness to make changes for the purpose of maintaining quality

Quality inspection

A process businesses use to check for defects after products have been produced

Quality management

The ongoing process of planning, implementing, and integrating quality into every aspect of an organization

Quality of work life

The general conditions in which employees work

Quality standards

Established specifications used to measure the degree of excellence of a good or service

Quality-management plan

In project planning, a document that contains strategies for meeting quality requirements for both the deliverable(s) and the project itself

Quantitative

Measurable

Quantitative data

Numerical facts and figures

Quantitative measures

Measures that rely on numbers; often used with qualitative measures

Quantity standards

Established specifications used to measure the amount of work produced

Questioning

Using straightforward, non-judgmental questions to clarify or to get more information

Questionnaire

A set of written questions designed to gather information

Quota

A trade restriction that limits the quantity of goods that can move into or out of a country

Quota sampling

A non-probability sampling method in which researchers recruit respondents based on fixed quotas or percentages

Quotas

Specific goals to be met

R&D project

A business endeavor that involves the research and development of new knowledge, new processes, new technologies, etc.

Race

A division of human beings based on their skin color and other physical characteristics

Rapport

A good relationship

Rate of return

The reward or benefit received in return for an investment, recorded as a percentage of the investment

Ratify

To approve or sanction

Ratio

A comparison created when one number is divided into another

Rational buying reason

A customer's motivation for purchasing a product that is based on thinking or logic

Rational motives

Reasons for buying that appeal to the sense of reason or judgment

Rationing

A function of relative prices that determines who gets the goods and services produced; determining how scarce resources will be distributed

Raw materials

Items in their natural state or condition

Raw materials inventory

The producer's inventory of materials needed to make its product

Raw-goods producer

A type of producer that provides goods in their natural state

Reaching closure

The phase of the selling process in which the salesperson addresses customer objections and asks the customer to buy

Reactive

Hesitant to take action; passive; waiting for changes to occur before acting

Reaffirming the buyer-seller relationship

The phase of the selling process which requires the salesperson to utilize techniques to follow up a sale to increase the customer's confidence in the buying decision

Real estate

An ownership investment in which individuals purchase property in buildings and land

Real estate agent

An independent worker who works for a real estate broker on a contract basis; responsible for assisting both buyers and sellers in all aspects of the process of purchasing or selling property

Real estate appraiser

A person who determines the value of a specific property; often specializes in a certain type of property

Real estate broker

An independent business that sells real estate owned by others

Real GDP

The final market value, adjusted for inflation, of the total output of all goods and services produced within a country's geographic boundaries during a year's time

Rebalance

Assign new proportions to segments of an investment portfolio

Rebate

A return of part of the price a customer pays for a good or service; usually offered by the product's manufacturer

Recency bias

In investing, purchasing stocks based on recent (short-term) performance, not solid fundamentals

Receptivity

Openness to change and input from others

Recession

A six-months' contraction in GDP

Reciprocity

A method of doing business in which sellers buy from their customers; illegal when required

Recognition

Special notice or attention; acknowledgement of something, usually of a positive quality or aspect of a person, effort, or contribution

Recognize

To acknowledge or take notice of, as in recognizing a previous acquaintance; to acknowledge with special notice or attention, as in recognizing the efforts and contributions of others

Record keeping

The process of systematically recording, organizing, and destroying all the types of information necessary for a business's operational and financial decision making

Recourse

Someone or something to which one can turn for help

Recovery

A period of time in which an economy grows from recession to prosperity

Recruiting

Seeking out and attracting qualified potential employees

Referrals

Individuals or businesses to whom salespeople are recommended

Reflection

Taking time to think and talk about an important issue

Regular credit account

A credit account which allows credit users to buy at any time during a set period, usually 30 days; also called an open account

Regulated monopoly

Monopoly that the government allows to exist legally

Regulations

An established set of rules

Related product close

A closing technique that uses products that go with the item being presented to help customers make buying decisions

Relationship buying

The purchases a customer makes because of a long-term relationship s/he has established with a business

Relative price

One price compared to another; the ratio between two prices

Relative strength index

Computation comparing gains and losses within a short time frame; used in technical analysis

Relevant

Pertaining to the topic at hand

Relevant variables

The types of information studied in a marketing-research project (e.g., brand awareness, customer satisfaction, etc.); also known as constructs

Reliability

The measure of how well a product performs its purpose without breaking down

Reliable

Giving the same results every time

Religion

A system of personal beliefs influencing one's actions

Rent

Money payments for the use of land or property

Rented-goods service

A product that involves giving consumers limited use of a good for a certain period of time

Repayment risk

The possibility of loss due to the repayment terms of a bond investment

Repayment terms

The way(s) a bond can be repaid

Repeat business

Customers who continue to buy from a company, salesperson, etc.

Report

A document that summarizes information in an organized manner

Representative

Typical

Reputation

A person's or business's good name

Resale

The process of selling again

Research and development

Activities involved in gathering information and creating goods and/or services based on that information

Research design

A master plan detailing how research will be carried out; identifies types of data needed, how much data to collect, where to find the data, what data-collection methods to use, and how data will be analyzed

Research objective

A formal statement of what a marketing-research study will achieve

Research problem

A question that asks what needs to be done to solve a decision problem

Residential investment

The money landlords invest in the buildings and the equipment they own and rent to others

Resist

To oppose or dispute

Resistance

The act or capacity for resisting, opposing, or withstanding

Resolution

The outcome of a conflict

Resource

Any item that is used to produce goods/services

Resource owners

Those who provide human resources, natural resources, and capital goods in order for production to take place

Resourcefulness

The ability to act imaginatively when new ideas or solutions are required

Resources

Any item that is used to accomplish another activity, such as producing/providing goods and services

Respect

Regard or esteem

Responsibility

Fulfilling one's obligations in a dependable, reliable manner

Responsibility chart

A project-planning tool that shows who is responsible for accomplishing the tasks required for completing a project

Responsible behavior

Words and actions associated with fulfilling one's obligations in a dependable, reliable manner

Responsiveness

The level of promptness and willingness with which a service is provided

Results-oriented goal

A goal that is focused on the outcome—and on the performance that brings about that outcome

Retail Installment Sales Acts (RISA)

State laws governing installment sales of personal property

Retailer

A business that buys consumer goods or services and sells them to the ultimate consumer

Retailers

Businesses that buy consumer goods or services and sell them to ultimate consumers

Retention

An organization's ability to keep its customers or its employees from going elsewhere

Retirement plan

An investment program for use after an investor has ceased working

Retroactive risks

Risks that have previously occurred

Return

Income received from an investment

Return on capital

A measure of how well a business generates cash flow in relation to the capital it has already invested into itself

Return on equity

Financial ratio calculated by dividing net income by book value

Return on equity (ROE)

Financial ratio that shows how much profit results from each dollar of investment; calculated by dividing net income by book value

Return on investment

Financial ratio calculated by dividing net profit by investment

Return on sales

A profit-oriented pricing objective in which the business bases the amount of profit it wants to earn on the amount of its sales; often called target return

Revenue

Income

Revenues

Sales or gross income

Reverse brainstorming

A problem-solving tool used to generate ideas and possible solutions; instead of identifying ways to solve a problem, identifying ways to make the problem worse

Revolving credit account

A type of credit account which limits the total amount of money that may be owed and charges interest on outstanding balances

Reward

A tangible item that is given in return for someone's service or accomplishment

Reward technique

Positive reinforcement given for showing self-control

Right-to-work laws

Legislation that prohibits the requirement of employees to join a union

Risk

The possibility of loss or failure

Risk analysis

An assessment of a project's potential risks and challenges, performed by project managers to better prepare for minimizing the effects

Risk checklist

A standardized list of risks that a business faces on a regular basis; used to speed up the risk identification process

Risk identification

A risk-management process that involves recognizing risks that could impact a business's objectives and activities

Risk impact/probability chart

A framework used to determine the severity of risks if they occur; used by risk managers to prioritize risks

Risk management

A business activity that involves the planning, controlling, preventing, and limiting of business losses and enhancing possibilities for gain

Risk management plan

A business document that involves the planning, controlling, preventing, and procedures involved in limiting business losses; optimizes the relationship of potential loss to gain

Risk measurement

A risk-management process that involves determining the potential severity of different risks

Risk monitoring and control

A risk-management process that involves determining the effectiveness of current risk-response strategies and tools, tracking existing risks, monitoring new risks, and developing responses and workarounds for previously unidentified risks

Risk pyramid

A triangular-shaped graphic showing different investments and their risk levels

Risk register

A record or listing of risks that could potentially impact a business or project

Risk response

A risk-management process that involves selecting the most effective ways to handle different risks

Risk taking

Understanding and accepting the responsibility of not knowing the outcome of your actions

Risk tolerance

A measure of how much risk an investor is willing to accept in exchange for potentially high returns

Risk-adverse

Avoiding risk whenever possible

Risk-management plan

In project planning, a document that contains strategies for avoid-ing or limiting potential risks to project success

Risk-seeking

Looking for ways to turn risk into a strategic advantage and/or capital

Risk-tolerant

Accepting risk when necessary, but not seeking risk

Risk/return tradeoff

A principle that says an investor will earn more from money that is invested at a higher risk; used to determine a “comfortable” balance between an investment’s risk and return

Robinson-Patman Act

A federal regulation that prohibits price discrimination

Robotics

A mass production technique in which robots carry out the repetitive tasks that workers would find monotonous and tiring

Role model

A person whose behavior is imitated by others

Rolling budget

Also called a continuous budget, a rolling budget replaces each passing month with a new month added to the end of the budget, so that there is always a year-long budget in place.

Roth IRA

A non-tax-deferred retirement plan; contributions are made with after-tax income, but investors avoid capital gains taxes and owe no money at the time of withdrawal

Routine decision

A type of decision that doesn’t require much (or any) consideration

Routing

The production activity that determines the sequence for the steps in the production process

Royalties

A percentage of actual sales that a licensee pays to a licensor; usually anywhere from 5 to 15 percent

Royalty

Fees paid to a parent company that are often based on a percentage of the franchise’s profits; a percentage of actual sales that a licensee pays to a licensor; usually anywhere from 5 to 15 percent

Rule of 72

Equation that tells you how long it will take to double your money at a given interest or return rate

Ruthless

Willing to win at any cost

S

S-O strategy

A marketing strategy that focuses on opportunities that are a good match with the business's strengths

S-T strategy

A marketing strategy that focuses on using a business's strengths to overcome its threats

S&P 500

Standard & Poor's Index 500; an index tracking the averages of 500 large-cap stocks in the U.S.

Sabotage

Interfering with a process or plan in an underhanded manner

Sales

A career that involves responding to consumer needs and wants through planned, personalized communications intended to influence purchase decisions and ensure satisfaction

Sales close

The point in a sales presentation at which the customer makes a favorable buying decision

Sales dialogue

Discussion between the salesperson and the customer during the sales presentation in which the salesperson describes the product's features and customer benefits

Sales finance company

A business that purchases borrowers' contracts from sellers and receives the borrowers' payments

Sales forecast

A prediction of future sales over a specific period of time

Sales growth

The increase or decrease in sales over a specific period of time; calculated by dividing the change in sales by sales at the beginning of the period

Sales invoice

An itemized statement of money owed for a good or service

Sales journal

An accounting record used to record the business's daily receipts

Sales lead generation

The act of finding potential customers

Sales lead qualification

The act of determining if a potential customer has the interest, ability, and authority to buy a product

Sales presentation

The sales procedure in which the salesperson shows the customer the benefits of the product's features; includes the sales dialog and product demonstration

Sales Promotion

Promotional activities other than advertising, personal selling, and publicity that stimulate customer purchases

Sales Revenues

Money that comes in to a business from the sale of goods and services; also called income from sales

Sales volume

The amount of a firm's sales; usually expressed in dollars

Sales volume analysis

A breakdown of sales volume data that allows a company to measure its actual sales against a number of different criteria

Sales-oriented pricing

A category of pricing objectives that focus on increasing total amount of income from sales

Salesperson

An individual employed to advance and/or facilitate the exchange of a good or service

Sample

A subset of the population

Sample design

A method for selecting sampling units out of the target population

Sampling

The process of choosing a representative group of consumers to survey

Sampling error

Any mistake in sample size or selection

Sampling plan

An outline for the sampling process that ensures that a truly representative sample of the population can be drawn in the most efficient way possible with the lowest potential for error

Sampling unit

An individual element of a target population

Sanctioning bodies

Groups or organizations that regulate sports and sports participants

Sanctions

Financial penalties or fines

Sarbanes-Oxley Act

A U.S. regulation mandating that public businesses comply with specific accounting requirements

Sarbanes-Oxley Act of 2002

Legislation passed by the U.S. Congress intended to protect investors from corporate accounting fraud; also known as the Public Company Accounting Reform and Investor Protection Act

Satellite

An object placed into orbit by humans; most are used for communications purposes

Satisfaction

Feeling fulfilled after accomplishing a task or objective

Saving

Taking a portion of your current income and putting it away to use in the future

Savings accounts

Lending investments in which individuals lend money to a bank to earn interest

Savings and loan association

A financial institution which offers savings accounts and makes loans to borrowers, most of which are for real-estate purchases

Savings bank

A financial institution that offers savings accounts and makes loans to borrowers, most of which are for real-estate purchases; also known as a savings and loan or a mortgage bank

Savings bonds

Non-marketable bonds offered by the U.S. government

Scalability

The ability to quickly adjust and align an organization's people and resources in response to market change; an aspect of organizational agility

Scalar principle

Creating authority that flows in a clear, continuous line

Scale

Degree of size

Scam

A plan to gain money by deceiving people

Scanner

The wand or electronic screen that “reads” UPC codes found on products and enters product information into the computer

Scarce

Limited

Scarcity

A condition resulting from the gap between unlimited wants for goods and services and limited resources

Schedules

Plans that list the order of activities and completion times; timetables

Scheduling

The production activity that establishes the timetable to be followed in production

Scope

The number of tasks involved in a job and the frequency with which they occur

Screening

Reviewing in order to make a decision as to what should be kept and what should be discarded

Search engine listing

An online advertisement appearing in a list of web sites generated by a search engine in response to a key word or words

Season ticket sales

In sports, the marketing of “full memberships” or complete season-long ticket packages to individuals or companies

Seasonal businesses

Companies that operate only during certain seasons of the year

Secondary data

Facts and figures that have been collected for purposes other than the project at hand

Secondary dimensions of diversity

Differences that may change at various points throughout one’s lifetime; include such characteristics as language, religion, income, geographic location, family status, work experience, communication style, and education level

Secondary information

Marketing information developed from data that have already been collected by others

Secondary market

In investing, a place where investors can buy and sell securities that have been issued by a corporation

Secondary product promotion

A kind of product promotion intended to stimulate demand for a particular brand of product

Secondary research

Research that collects facts specifically for the problem or project at hand

Sector

A subset of the economy in which companies share related products or services; sectors are broader than industries and include things like energy, health care, consumer goods, etc.

Secured bonds

Bonds that are “guaranteed” to be repaid—by backing from collateral or a mortgage, for instance

Secured loan

A type of loan in which the borrower pledges to the lender some valuable possession as collateral, or security, to guarantee that the loan will be repaid

Securities

The legal owning or lending agreements between individuals, businesses, or governments

Securities Act of 1933

Legislation passed by the U.S. Congress as the result of the stock market crash of 1929; compelled public companies to be truthful about their finances and established laws against fraudulent activities

Securities and Exchange Commission (SEC)

Federal agency that regulates the financial markets; charged with protecting the investing public from fraud or malpractice

Securities and investments industry

The total of businesses consisting of brokerage firms, investment banks, and stock exchanges, all of which support the flow of funds from investors to companies and institutions

Securities Exchange Act of 1934

Legislation passed by the U.S. Congress intended to govern securities trading on the secondary market; created the Securities and Exchange Commission

Segment marketing

The classification of customers into similar groups to appeal to one or more individual segments

Selective distribution

A distribution pattern in which a producer sells a product through a limited number of middlemen in a geographic area

Self-aware

Conscious of one's own strengths, weaknesses, and emotions

Self-awareness

A person's knowledge of his/her own emotions

Self-concept

How you see yourself

Self-confidence

A positive belief in your own talents, skills, and objectives

Self-control

Restraint of your feelings, words, and actions

Self-employed

An individual who is her/his own boss

Self-esteem

The way a person feels about him/herself at any given time

Self-esteem need

Desire for high self-esteem and recognition from others

Self-interest

Giving priority to what benefits oneself

Self-management

The ability to direct and control one's emotions in a way that is purposeful

Self-motivation

An inner drive to complete tasks and accomplish goals

Self-observation

An evaluation of one's own conduct in order to identify strengths, weaknesses, and/or problem behavior(s)

Seller's market

The best time for producers to sell; characterized by large demand, small supply, and high prices

Selling

A marketing function that involves determining client needs and wants and responding through planned, personalized communication that influences purchase decisions and enhances future business opportunities

Selling aid

An item a salesperson can use to help demonstrate a product, such as a graph, a chart, or a customer testimonial

Selling point

A valid reason for buying

Selling price

The amount a seller charges the purchaser for a good or a service

Selling process

A systematic approach to selling that consists of a sequence of selling phases intended to assist salespeople in achieving their goal of making a sale

Selling skills

The ability to determine customers' needs, wants, and buying motives; to open and close sales; to question customers; to handle customer objections; suggest additional or substitute items; demonstrate products; and follow up sales

Semivariable Costs

Business costs that vary to some extent in response to sales

Seniority

The amount of time an employee has worked for a company

Sensitive

Aware of and responsive to the feelings of others

Sensitivity

Responsiveness to the feelings of others

Separability

A product's ability to be considered apart from its provider

Sequencing

Determining the route of materials through the production process

Sequential

In logical order, as in first, second, and third

Series 63 Exam

Licensing requirement for brokers in the United States

Series 7 Exam

Licensing requirement for brokers in the United States

Series EE savings bonds

Non-marketable U.S. bonds that do not make interest payments before maturity

Series HH savings bonds

Non-marketable U.S. bonds that make interest payments before maturity

Server

A computer hardware system that hosts an organization's intranet

Service

An intangible object that can be sold, e.g., haircuts, insurance, dry cleaning, etc.

Service attitude

A salesperson's commitment to the client's needs as expressed through his/her professional behavior

Service business

A type of business that performs intangible activities that satisfy the wants of consumers or industrial users

Service credit

Credit used for utilities that have been consumed but not yet paid for

Service(s)

Intangible activities that are performed by other people for money; productive acts that satisfy economic wants

Serviceability

The measure of how easy a product is to fix and maintain

Services

Intangible activities that are performed by other people for money; productive acts that satisfy economic wants

Sexual harassment

Any unwelcomed sexual remarks, advances, conduct, or requests made to another person

Sexual orientation

An individual's sexual preference for members of the same, opposite, or both sexes

Shallow product mix

A description of the depth of a business's product mix offering few items in the product line

Share

In investing, a piece of ownership in a corporation; also known as a stock

Shared time

The use of two employees to share the responsibility for one full-time position

Shareholder

Anyone who owns stock in a corporation; also known as a stockholder

Shareholders

Owners of stock; also known as stockholders

Shareholders' equity

Assets minus liabilities; also known as shareholders' equity, book value, and net worth; sometimes referred to as equity

Shares of stock

Units of ownership in a corporation

Sherman Antitrust Act

A federal regulation intended to prevent monopolies from forming and prices from being fixed

Shopping products

Goods and services purchased after the customers compare goods and stores in order to get the best quality, price, and/or service

Short messaging service (SMS)

Technology that allows people to send text messages over their cell phones

Short-term goal

An objective that takes less than a year to achieve

Short-term goals

Objectives that take less than a year to achieve

Short-term loans

Loans that must be paid back within the year

Short-term oriented society

A society in which people focus on the past or present and value things such as national pride and fulfilling social obligations; typically associated with Western cultures

Short-term time horizon

An investing time frame of less than five years (some sources say two to three years)

Show 'em

Method of answering objections in which the salesperson answers the objection by showing the product in use; also called the demonstration method

Sick-out strike

A union pressure strategy in which all employees call out "sick" at the same time

Silence

A negotiating strategy that involves listening but not speaking; often used when a situation becomes emotionally heated or when the other person does not like a specific message

Silence close

A closing technique in which the salesperson stops talking after the presentation to allow the prospect time to think and to respond

Simile

a figure of speech in which two unlike things are compared using the words "like" or "as"

Simple random sampling

A probability sampling method in which every sampling unit has a known and equal chance of being selected

Simulation

Imitation or enactment

Sincerity

Genuineness

Sit-down strike

A union pressure strategy in which employees stay on the job but refuse to work; also known as sit-in strike

Situation analysis

A determination of a firm's current business situation and the direction in which the business is headed

Situational theory of leadership

A theory of leadership style which holds that each situation is different and requires a different approach, calling upon the leader to analyze the situation and take appropriate action to perform the necessary tasks

Six Sigma

A popular quality-management methodology that relies on a five-step approach to improve any business process

Skewed

Distorted

Skill

The ability to perform a task that is developed through knowledge, training, and practice

Skip interval

In systematic random sampling, the number of spaces between each sampling unit drawn for the sample

Slack resources

Resources above and beyond what are needed to operate an organization

Slogan

A phrase that is easy to remember

Slow/Methodical customers

Customers who require a lot of time to make a purchase because of indecisiveness

Small business

A business that employs 500 or fewer people

Small-business owner

An individual who owns a business venture to generate income without intentions of growing or expanding the business

Small-scale goal

A medium-sized, short-term goal

SMART goal

A goal that helps you identify exactly what it is you want to achieve and know for sure when you've achieved it; made up of specific, measurable, attainable, results-oriented, and time-bounded goals

Smartphone

A mobile phone with advanced capabilities, such as accessing the Internet

Smishing

Illegal activity that involves posing as a financial institution or other business and sending fraudulent text messages requesting personal information such as account numbers and passwords; similar to Internet phishing

Smoothing

Offering consumers a discount for purchasing products that otherwise would go to waste

Snowball sampling

A non-probability sampling method in which researchers ask respondents to help them identify and recruit additional respondents for the study; also called referral sampling

Social and cultural attitudes

The belief and feelings of people in a society that cause them to act in certain ways

Social awareness

The ability to know and understand others' emotions

Social management

The ability to respond effectively to others' emotions

Social responsibility

The duty of business to contribute to the well-being of society

Social skill

A skill valued by people, such as manners

Socialism

A modified command economic system in which government owns the basic means of production and allows private ownership of businesses as well

Society

A group of individuals who share an environment

Socioeconomic status

An economic and sociological measure of a person's income, education, and occupation

Software

Programs that instruct computers to perform specific operations

Sole proprietorship

A business owned by one person who receives all the profits from the business and takes all the risks

Spam

Junk e-mail that the recipient did not request and does not allow the recipient to request removal from the subscriber list; also known as unsolicited commercial e-mail

Span of control

The measurement of how many workers are supervised by one manager

Spatial order

A way of organizing that arranges information according to physical space or geographical area

Specialization

The process of making the best use of resources in the production of goods and services

Specialization by stage of production

A type of specialization that occurs when more than one stage is required to change a raw material into a finished product; different people are usually involved at the different stages of production

Specialization by task

Becoming highly skilled in one, very small portion of a job; division of labor

Specialization by trade or profession

The type of work that you perform to earn a living; the most common type of specialization

Specialized budget

A budget that reflects a particular department or activity of a company; specialized budgets are interrelated, often relying on one another for estimates of future activity

Specialty eateries

Food-serving businesses that specialize in a particular type of food or a unique style of service

Specialty media

A type of “other” media that features a business’s logo, is useful, and is given away freely

Specialty products

Goods and services with special or unique characteristics that customers are willing to exert special efforts to obtain

Specific goal

A goal that includes the details necessary to make sure you don’t confuse it with another goal

Specific purpose

In public speaking, a statement that describes exactly what the speaker wants to talk about and how s/he wants the audience to respond

Specifications

Standards that are established and described in detail; requirements

Spectacular

A type of out-of-home advertisement built to order and often designed with neon lights or moving parts

Spectators

Observers, or fans, of a sporting event

Speculative

Highly risky; based on estimates

Speculative risk

A risk that may result in loss, no change, or gain

Speculative risks

Chances of loss that may result in loss, no change, or gain

Speculative stocks

Stocks issued by companies that have not yet established themselves

Speed

The ability to change quickly; an aspect of organizational agility

Sponsor

Business, individual, or organization that pays the costs of a project

Sponsors

Businesses or organizations that pay to associate their names or products with a sporting event

Sponsorship

An agreement that allows a company to pay a fee to a team or an event for the right to affiliate itself with that team or event

Sponsorship management

In event marketing, an activity that involves securing corporate funding for an event's promotions costs or consulting with corporations to find events that reach the company's target audience

Spontaneous

Arising from a genuine, natural impulse without external influence

Sport marketing

The process of planning and executing the conception, pricing, promotion, and distribution of sport ideas, goods, and services to create exchanges that satisfy individual and organizational objectives

Sporting event

An intangible, perishable experience; the athletes; the facility

Sporting goods

Tangible, manufactured products that are sold and used within the sports industry

Sports marketing

The process of planning and executing the conception, pricing, promotion, and distribution of sports ideas, goods, and services to create exchanges that satisfy individual and organizational objectives

Spread

Commission on bonds

Spreadsheet

A grid that shows information (usually numerical) in a logical format

Stability strategy

A marketing strategy designed to keep market share the same

Staff authority

Advisory authority, often without the ability to enforce or take action

Staffing

A human resources management activity that involves recruiting, interviewing, hiring, orienting, and dealing with job changes for a company's employees

Stakeholder

A person who is invested in a project's success or failure

Stakeholders

People or businesses who are affected by a company's success or failure

Standard of Living

The general conditions in which people live; quality of life

Standardization:

The organization of work so that it is always done in the same way

Standards

Specifications or statements that are used as a basis for comparing or judging goods or services

Standing-room-only close (SRO)

A closing technique in which the salesperson creates a sense of urgency to buy by mentioning that the item being presented is one-of-a-kind or in limited supply

Staple item

Frequently purchased item that businesses keep on hand continuously because the demand for it is constant

Starbursting

a brainstorming technique that involves using a star-shaped diagram to ask and answer basic questions about an issue or situation

Start-up money

Funds used to bring a business into operation

Statement of Work (SoW)

A dynamic document that serves as the foundation of a project; includes goals, scope, deliverables, etc.

Status quo

The way things are right now

Stereotype

A set image or an assumption about a person or thing

Stereotyping

Generalizing people based on their cultural backgrounds

Stimulus

Anything that evokes or triggers a response

Stimulus control

Finding ways to avoid or limit the triggers that cause stress

Stock

Shares or units of ownership in a corporation

Stock exchange

A place (physical or virtual) where stocks are traded by brokers who represent buyers and sellers

Stock fund

A pool of shareholders' money invested in stocks; also called an equity fund

Stock market

The buying and selling of stocks or shares

Stock market index

A measure of average stock prices that gives a general indication of the market

Stock mutual funds

Ownership investments in which a variety of stocks from different corporations or agencies (usually from different industries) are combined into one investment

Stock options

The right to buy or sell a stock at a particular time for a particular price

Stock price

The price at which the stock will sell

Stock screener

An online tool for investors that filters stock choices using a predetermined set of criteria

Stock split

Dividing a corporation's existing stock into multiple shares

Stock table

Format used to list stock quotes, traditionally found in newspapers, but also listed in financial publications and web sites

Stockholder

Anyone who owns stock in a corporation; also known as a shareholder

Stockholders

Owners of stock; also known as shareholders

Stockholders' equity

Assets minus liabilities; also known as shareholders' equity, book value, and net worth; sometimes referred to as equity

Stockout costs

Costs associated with running out of needed inventory; considered in terms of lost money and sales, lost productivity, and lost customer satisfaction

Stockpiling

Maintaining a large inventory

Straight bonds

Bonds that are repaid on the maturity date with no option to be repaid sooner

Strategic alliance

An arrangement that involves two or more businesses entering into a relationship by combining complementary resources such as technology, skills, capital, or distribution channels, for the benefit of all parties: Joint venture

Strategic management

The process of planning, controlling, and organizing an organization or department

Strategic plan

Long-range plan for the company as a whole; usually three to five years out

Strategic planning

Long-range planning (three to five years) for the company as a whole

Strategic position

How a business measures up in relation to other businesses in the industry; can involve the image or impression of a business or organization

Strategic risks

Possible events and situations that can affect the execution of an organization's long-term plans

Strategies

Plans of action for achieving goals and objectives

Strategy

Plan of action for achieving goals and objectives

Strategy-oriented decision problem

A decision problem aimed at answering "how?" or "which?"

Stratified random sampling

A probability sampling method in which researchers break the target population down into non-overlapping groups and draw simple random samples from each one

Stratum

In stratified random sampling, a non-overlapping group researchers want to study

Strength

Any resource or capability your business has that can help you gain a competitive advantage in your industry

Strengths

Positive habits and qualities

Stress

A mental, physical, or emotional feeling of pressure or tension

Strike

A union pressure strategy in which employees stop working and leave their jobs

Strikebreakers

A company pressure strategy in which the company hires non-union members to work while union members are on strike

Subchapter "S" corporation

A type of corporation that is limited to 100 or fewer shareholders, has limited shareholder liability, and requires little financial reporting; taxed as a partnership; also known as an "S" corporation

Subculture

A secondary group within a dominant culture

Subordinates

Lower-ranking members of an organization who are required to report to higher-ranking supervisors and managers

Subsidiary

A company that is entirely controlled by a parent company

Subsidy

Government financial help given to a business

Subsistence

Existence at a level that barely supports life

Substitute goods

Items that can be used in place of others; items that satisfy the same needs/wants; similar goods

Substitute products

Two different products that satisfy the same need

Substitution effect

A phenomenon that occurs when changes in relative prices cause buyers to replace the purchase of one product with another

Suggesting ownership close

A closing technique in which the salesperson stresses the enjoyment or the benefits the customer will enjoy from owning a product

Suggestion selling

A sales technique in which the salesperson attempts to increase the customer's purchase by recommending additional items after the original decision to buy has been made

Summary close

A closing technique in which the salesperson reviews a product's features and benefits at the conclusion of the presentation

Supervise

Oversee and direct the activities of others

Supervisor

An employee who oversees other employees

Supervisory management

First-line management

Supplier

See vendor

Suppliers

Businesses from which other businesses buy goods or services; vendors

Supplies

Industrial goods that are constantly being purchased and used up in the operation of a business

Supply

The quantity of a good or service that sellers are able and willing to offer for sale at a specified price in a given time period

Supply and demand

The providing and seeking of goods and services

Supply price

The minimum price producers are willing and able to receive for a product

Support services

Technical or complicated activities that project members cannot do themselves

Support system

A network of individuals and/or organizations who offer assistance to those in need of advice and information

Surety bond

A guarantee that protects a business when another person or business fails to fulfill the terms of a contract between them

Surplus

An amount in excess of the required amount

Survey

A marketing-research method that involves asking consumers questions to learn their opinions and the reasons behind those opinions

Suspicious customers

Customers who doubt or question everything and may want facts and proof before being convinced something is true

SWOT analysis

A marketing tool that investigates a business's strengths, weaknesses, opportunities, and threats, in an organized fashion

SWOT matrix

Table that displays the key issues in a SWOT analysis

Sympathetic strike

A union pressure strategy in which employees of one local union walk off the job to support another union that is on strike

Sympathy

The ability to recognize another person's feelings; feeling sorry for another person who has a problem or has suffered misfortune

Synectics

a creative-thinking technique that involves making connections through the use of forced relations

System for Electronic Document Analysis and Retrieval (SEDAR)

A database for securities filings and information in Canada

Systematic random sampling

A probability sampling method in which researchers place sampling units into a random list and draw a sample using a skip interval (e.g., every 50th name)

T

T-bills

Treasury bonds that last less than a year

T-bonds

Treasury bonds that last more than 10 years

T-notes

Treasury bonds that last one to 10 years

Table of contents

The portion of a document in which the sections are listed with their pages numbers for easy access

Taboo

Something that is forbidden or avoided due to cultural beliefs

Tacit knowledge

Knowledge an individual possesses that is difficult to transfer to others either verbally or in writing; it is gained through some sort of experience

Tact

The ability to do or to say the right thing in any circumstance

Tactic

A plan for accomplishing a specific goal

Tactical planning

Short-range planning (one year) of specific actions the business will take

Tactics

Specific actions that will be used to carry out strategies

Tampering

Adjusting something that you have no right to adjust; e.g., a competitor's product

Tangible

Capable of being touched, smelled, tasted, seen, or heard

Tangibles

In quality management, refers to the environment in which a service is performed

Target market

The particular group of customers a business seeks to attract

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Target marketing

The identification and selection of markets for a business or for a product

Target population

The specific group of individuals or other units that researchers are studying for marketing-research purposes

Target return

See return on sales: A profit-oriented pricing objective in which the business bases the amount of profit it wants to earn on the amount

of its sales; often called target return

Tariff

A tax on imported goods; also called a duty

Task

Work assigned to an individual to complete a project

Task utility

Usefulness created by altering or changing the characteristics of a service (or task) to make it more useful to the consumer

Tax haven

A country that offers low or no tax rates

Tax record

A document about monies that individuals or businesses must pay to the government

Tax-deferred retirement plan

A plan that allows investors to deposit money into an investment account and hold off paying the taxes on it until they start using the money

Taxes

Monies that individuals or businesses must pay to the government

Team vision

A smaller, more specific vision that complements the organizational vision

Teamwork

Cooperative effort of two or more people; working together to reach a common goal

Technical analysis

Process using historical information from market activity, prices, and volume to evaluate securities and predict future price activity

Technical skills

The ability to acquire systematic, specialized applications to accomplish business objectives

Technology

Scientific applications to business objectives or the methods used to attain those objectives

Telecommuting

Working from home or a remote location

Telemarketing

Advertising medium grouped with "other" media that utilizes telephone service to promote a product either by phoning prospective customers or providing a number for them to call

Telephone interview

Surveying individuals via phone to obtain research data

Teller

A person who conducts routine bank transactions and may also sell additional products that the bank offers

Tentative agreement

An agreement between union leaders and company representatives that has not yet been approved by the union members

Terms

Specific points that reveal each person's expectations and responsibilities in a negotiation agreement

Terrorism

Threat of violence

Test marketing

The process of introducing a new product to a limited market to determine what its acceptance will be

Testimonial

A statement by an identified user of a product, proclaiming the benefits received from the use of that product

The inquiry

Method of answering objections in which the salesperson asks questions of customers to enable them to answer their own objections; also called question method

The testimonial

Method of answering objections in which the salesperson uses a neutral third party who has tried the product as an example; also called third-party method

Thesis

A single, complete statement of the main idea of an essay or presentation

Third-party agreement

Legal or financial arrangement in which two companies do business through (or using) a third company

Thought stopping

A positive-thinking technique that involves blocking negative thoughts and replacing them with positive ones

Threat

Any unfavorable situation in the environment surrounding your business

Ticker symbol

System of letters that uniquely identifies a company; also known as call letters

Ticket management

In sport/event marketing, an activity that involves coordinating the box office staff and keeping detailed ticket sales records

Tie-in sales

An illegal practice in which the purchase of an additional product is mandatory

Time decision

The decision a customer makes on when to buy

Time log

A detailed record of how you spend your time

Time management

How people use the 24 hours in their day

Time standards

Established specifications that monitor the amount of time needed to complete specific business activities

Time thieves

Things that steal your time, such as procrastination and interruptions

Time utility

Usefulness created when products are made available at the time needed to complete specific business activities

Time-bounded goal

A goal that has a set time limit; a goal that has a distinct beginning and ending

Time-horizon

The amount of time available; often applied to achieving goals, figuring the return on investments, setting limits, etc.

Timing

In the production process, determining when materials will arrive at a certain destination and how long they will stay there

Title

Right of ownership or a document showing the right of ownership

To-do list

A list of activities that an individual plans to accomplish during a certain period of time

Top-level management

All managers who are responsible for the operation of the company or a business unit

Topical order

A way of organizing that puts information into related subcategories, such as order of importance, pros and cons, and alphabetical or numerical order

Toss-it-back

Method of answering objections in which the salesperson turns the customer's objection into a valid reason for buying; also called boomerang method

Total cash available

The amount of cash a business has available to spend each month

Total costs

All of a business's costs, both fixed and variable

Touch points

All the opportunities that businesses have to connect with customers and reinforce their brand value

Trade agreements

Agreements between nations that provide for favorable trade relations

Trade association

A group of persons in the same industry or geographic area who form a society to solve their common problems

Trade centers

Facilities located in most major cities throughout the world that assist exporters through the export process and share information about tariffs, product standards, and other regulations with importers

Trade character

A brand mark that has been personified and made to seem lifelike

Trade deficit

An unfavorable balance of trade in which a nation's imports are greater than its exports

Trade industries

Businesses that buy and sell goods to others; retailers and wholesalers

Trade journal

An industry-specific publication

Trade mission

A trip involving business executives and/or government officials who travel to a foreign country to promote trade

Trade name

The name that is used to identify a company or an organization

Trade secret

Undisclosed information within a particular business or industry

Trade shows

Events where businesses display and/or demonstrate their products to build sales leads and interest

Trade surplus

A favorable balance of trade when a nation's exports are greater than its imports

Trade talks

Meetings among nations to discuss improving economic and trade relations

Trade union

See craft union

Trade-off

Giving up all or a part of one thing in order to get something else

Trademark

A brand that is owned by a business; designated by the symbol™

Trademarked property

A symbol, design, or word used to identify a good or service and registered with the government to prevent use by others

Trader

An investor who uses the "buy low and sell high" trading strategy; also known as market timer

Trading desk

The location where investment purchases and sales occur; also known as the dealing desk

Trading down

A product-mix strategy in which a business adds a lower priced product or product line to its product mix

Trading up

A product-mix strategy in which a business adds a higher priced product or product line to its product mix

Trading-down

A sales technique in which the salesperson suggests a lower priced product than the one originally requested by the customer

Trading-up

A sales technique in which the salesperson suggests a higher priced product than the one originally requested by the customer

Traditional economy

An economic system in which people produce only what they must have in order to exist; all economic decisions are based on habit and tradition

Trailing

The most recent time period, usually twelve months; often abbreviated in securities' tables as "ttm" for trailing twelve months

Trait theory of leadership

A theory of leadership style which holds that select individuals are born with all of the traits and characteristics that are necessary to lead

Traits

Personal characteristics, expressed by a regular pattern of behavior, that become a part of you, over time

Transaction

A business activity such as a sale, a purchase, or a return

Transaction fee

A charge for purchasing securities, such as stock; the seller's commission

Transaction fees

A charge for purchasing securities, such as stock; the seller's commission

Transaction source documents

Checks, receipts, invoices, purchase orders, and other documents/records representing a business's financial transactions; usually contain the transaction amount, the payer, the payee, the good or service being purchased or sold, etc.

Transfer payments

Monies paid by the government in which no goods or services are received in exchange, such as Social Security payments, welfare benefits, veterans' benefits, disaster aid, and other similar payments

Transference

A risk-response strategy that involves moving the impact of a risk to someone or something else

Transformation

A change in the shape or appearance of an object

Transit poster

A type of out-of-home advertisement found in various modes and locations of mass transportation

Transitions

Words or sentences that connect or identify the parts of an oral presentation

Transparency

The quality of being just as one seems; trustworthy

Travel and entertainment card

A type of credit card frequently used by travelers to pay bills in restaurants, clubs, hotels, and motels

Treasury bonds

Marketable bonds issued by the U.S. government

Trend

The general direction in which people or events are moving

Trends

The general directions in which people or events are moving

Trendsetter

One who is a leader in introducing new styles or movements

Trial balance

The listing of a business's different accounts and their current balances; used to check the accuracy of journal and ledger entries

Trough

The phase of the business cycle considered the low point of economic activity; characterized by high rates of unemployment and business failures

Trust

The ability to rely on the character, integrity, or truthfulness of something or someone

Trustworthiness

Reliability; the quality of deserving others' confidence

Trustworthy

Reliable; deserving the confidence of others

Truth-in-Lending Act

A federal law that protects consumers who use credit and makes it easier for them to compare the terms of different credit systems; also known as Consumer Credit Protection Act

Try it

Method of answering objections in which the salesperson allows the customer to actually try out the product before buying it

Turnover

The rate at which an organization has to replace employees

Tying agreements

An illegal agreement requiring a customer to buy other products in order to obtain desired goods and services

U

U.S. Department of Commerce

A federal agency that works in partnership with businesses, universities, communities, and workers to promote job creation and economic growth

U.S. Small Business Administration

A federal agency whose mission is to “aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise, and to maintain and strengthen the overall economy of our nation.”

Ultimate consumer

Anyone who personally uses a good or service to satisfy his/her own wants

Ultimate consumers

People who personally use a good or service to satisfy their own wants

Ultimate consumption

The process or activity of using goods and services for personal use

Uncertainty

The quality or state of not being clearly identified or defined

Uncertainty avoidance

A dimension of national culture that refers to a society's tolerance toward uncertainty or insecurity

Uncounted production

Goods and services that are not counted in GDP because money is not paid for them

Underground economy

An economy that involves transactions in which money changes hands, but no receipts are kept

Understanding

Grasping the meaning; comprehending

Undervalued

In investing, a stock that is priced lower than the company's perceived intrinsic value; undervalued stocks can be said to be “on sale”

Underwriter

A person who calculates the risk of loss, establishes premium rates, and designs policies to cover risk; may specialize in life insurance, health insurance, or property and casualty insurance; may further specialize in either individual or group policies

Undifferentiated marketing

Designing products and directing marketing activities to appeal to the whole market; also known as mass marketing

Unemployment rate

The percentage of the workforce that is unemployed

Unethical

Lacking morals; wrong

Uniform Commercial Credit Code (UCCC)

A set of credit laws drawn up to give states a model to follow in writing their own sets of credit laws

Uniform Limited Partnership Act

United States legislation that serves as a guide for legally formulating a limited partnership agreement

Uniform Partnership Act

United States legislation that serves as a guide for legally formulating a general partnership agreement

Union security

An agreement under which a union may or may not require company employees to join the union or pay dues

Union shop

A union security agreement in which employees are required to join the union after their probationary period

Unique Benefit

Exclusive, the only one of its kind; a benefit competitor's good or service does not possess

Unique selling proposition

A one-of-a-kind attribute of a product or brand that separates it from the competition

Unit of analysis

The entity or element that is being studied in marketing research (e.g., individual, household, etc.)

Unit pricing

A pricing technique in which consumers are given the price per unit (pound, ounce, etc.) for products

Unit production

The production of one item at a time or items in small quantities

United States Securities and Exchange Commission (SEC)

Federal agency that regulates the financial markets; charged with protecting the investing public from fraud or malpractice

Unity of command

A principle that states that no employee should answer to more than one supervisor at a time

Unlimited liability

Requirement that business owners be responsible for paying business debt; personal assets can be used to pay the debt

Unorganized participants

Players of sports that are not controlled by organizations or groups; do not follow rules

Unrealistic

Out of touch with reality or the facts

Unsecured loan

An amount of money borrowed by an individual or a business simply by signing a promissory note promising to repay the loan

Unsought products

Consumer goods and services bought out of necessity or adversity rather than desire

Urgency

A pressing need

URL

Uniform Resource Locator; web site address

Utility

Usefulness; capable of satisfying wants and needs

Utility costs

Charges for the use of electrical, gas, and water services

v

Valid

Based on fact; relevant

Value

The amount of satisfaction a good or service will provide a customer

Value judgment

A statement that reflects a person's opinion or evaluation of something

Value stocks

Stocks that trade at lower-than-average prices because they have been overlooked or undervalued by investors

Values

The principles by which you live

Valuing diversity

Openly acknowledging differences and believing that they are assets instead of problems

Variable

Factor that is subject to change

Variable costs

Business costs that change according to changes in sales volume

Variable expenses

Business costs that change according to changes in sales volume

Variable-Cost Margin

The amount of variable costs that apply to one unit; also called fixed-cost contribution

Variance

The difference between a budgeted amount and an actual amount

Vendor

A supplier of goods, usually a wholesaler or distributor

Vendor coordination

In event marketing, an activity that involves organizing suppliers of goods or services who will be present at an event

Vengeance

Punishment in return for bad behavior, often in the terms of revenge or violent retribution

Venture

A business or business project, usually new

Venture capital

Invested money used for new business opportunities

Venues

Buildings or places where sports and events occur

Verbal

Communication involving the use of words

Verbal assertiveness

A confident attitude that involves the use of words

Verbal communication

Communication that involves the use of words

Vertical conflict

A type of channel conflict that occurs between channel members at different levels within the same channel

Vested interest

A personal concern about the outcome of a project, business venture, etc.

Virtual services

Services provided through a medium of communication (such as the Internet), rather than in person

Visibility

The ability to anticipate change; an aspect of organizational agility

Vision

The future you desire to create

Vision statement

A summary of what a business owner wants a business to become

Visualize

Imagine or picture in your mind

Voice

The way a person sounds when speaking, as described through volume, pitch, speed, and pronunciation; not the actual words or meaning

Voice over Internet Protocol (VoIP)

Technology that allows users to make telephone calls over the Internet

Volatility

The movement of a stock relative to the movement of an index or the stock market; refers to a stock's movement in price; a stock that rises and falls sharply is said to be "volatile"

Volume

Number of shares traded during a specific period

Volunteer

Individual who donates time to complete a project

Volunteer coordination

In event marketing, an activity that involves delegating responsibility and assigning workers where they are needed

Voting

A decision-making method in which votes are counted for or against an alternative

W

W-O strategy

A marketing strategy that focuses on overcoming a business's weaknesses so that the business can pursue opportunities

W-T strategy

A marketing strategy that focuses on ensuring that a business's weaknesses don't make it even more vulnerable to the threats it already faces

Wages

Money payments for labor on an hourly, daily, or weekly basis

Walk-in promotions

In sport marketing, a team or organization's attempt to communicate with and reward fans as they enter the sport venue

Want

A desire for something that may or may not be required

Wants

Desires

Warrantor

A person or business that provides a warranty to others

Warranty

A promise made by the seller to the consumer that the seller will repair or replace a product that does not perform as expected

Weak product

A product whose sales and profitability are declining

Weakness

Any limitation or shortcoming your business has that can keep you from achieving your objectives

Weaknesses

Negative habits and qualities

Webinar

A seminar or training session conducted online

Welfare state

A government that provides multiple social programs such as free health care and education to its citizens

Whistleblower

Someone who reports unethical behavior or actions

Wholesaler

An intermediary who helps move goods between producers and retailers by buying goods from producers and selling them to retailers

Wholesalers

Intermediaries who help to move goods between producers and retailers by buying goods from producers and selling them to retailers

Wholly owned subsidiary

A business entity completely owned and controlled by its parent company

Width

A product-mix dimension referring to the number of product lines carried by a company

Wiki

A user-generated, user-updated web site

Wildcat strike

A union pressure strategy in which local union employees refuse to work but do not have the consent of the national union

Win-Lose

A negotiation outcome that results from the use of a combative or competitive negotiating style; one party gets everything s/he wants while the other party does not

Win-Win

A negotiation outcome in which both people benefit; often a result when using the collaborative negotiating style

Wireless network

A computer network connected without the use of wires or cables

Wish

A hope or longing for something

Withdrawal

A conflict response mode in which one or both parties exhibit passive behavior and express a low level of cooperation; also called ignoring

Word-of-mouth advertising

Promotion and publicity for a business provided by customers who tell others of their satisfaction with the business

Word-of-mouth promotion

Promotion for a business provided by customers who tell others of their satisfaction with the business

Work Breakdown Structure (WBS)

A document that details the division of a project's workload into smaller, more manageable parts

Work ethic

Adhering to a standard of appropriate employee behavior

Work order

A written description of tasks that are to be completed by a specified time

Worker productivity

The amount of work a worker can perform in a given period of time, e.g., customers served per hour

Working capital management

Management of a firm's current balance of assets and liabilities; involves accounts payable and receivable, inventory, and cash

World Trade Organization

A global organization that essentially sets the rules of trade among nations; administers trade agreements and handles trade disputes

Y

Yes...but

Method of answering objections in which the salesperson tactfully acknowledges an objection and then courteously answers the objection without directly contradicting the customer

Yield

What a bond brings an investor at a particular bid price over the time period—listed as a percentage

Yield percentage

Annual dividend divided by the current stock price; also called rate of return and dividend yield

Yielding

A conflict response mode in which one or both parties exhibit passive behavior and express a high level of cooperation

Z

Zero-based budgeting

A method of budgeting that requires a manager to demonstrate the need for every expense instead of relying on figures from a previous period; in effect, each new budget begins at zero.

Zoning regulations

Laws governing the use of land

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