**Important HR Terms**

1 ] Alternation Ranking

It’s a method of ranking employee performance on a specific parameter, whereby the best and worst employees are chosen first, then the next level and so on, till all the employees are ranked. This method helps in distinguishing the best and worst performers at a glance.

2] Americans with Disabilities Act (ADA)

Established in 1990 and amended in 2008, the Americans with Disabilities Act (ADA) ensures equal opportunities for people with disabilities in the workplace and in public.

3] Analytical Thinking

A parameter in performance assessment, analytical thinking is all about the ability to analyze facts and information to draw logical conclusions.

4] Arbitration

A method of resolving disputes, whereby a binding decision is given by a neutral third party individual who is referred to as the arbitrator.

5] Attrition

It’s a HR term that is used to refer to a reduction in the workforce of an organization due to resignations and terminations, which results in the organization spending more in hiring and training resources again and again.

6] Background Check

An investigation carried out into a potential employee’s background, based on criteria such as education, criminal records, past employment, credit score, etc. It is carried out by employers before hiring employees.

7] Blended Workforce

It is a Human Resources term used to refer to an organization’s workforce that consists of full-time and part-time permanent employees, temporary employees, and contract hires.

8] Best Practices

It is a term defined as a set of practices that have proven to help an organization achieve the best results in a project or any task for that matter.

9] Blue Collar Workers

The HR term refers to resources who are paid on an hourly basis for physical and manual labor.

10] Bona fide Occupational Qualification

An exception to the Equal Employment Opportunity (EEO) law, it allows an organization to hire employees on the basis of gender, religion, or nationality, on the argument that these factors are required for the said job.

11] Breach of Contract

This is used to denote a situation where one of the parties who have signed a contract, violate one or more of the terms stated in the contract.

12] Buddy System

It is a form of employee orientation program whereby a new hire is made to sit with a senior employee, who guides the new hire on the different aspects of the job, including introducing him/her to coworkers and other people.

13] Career Plateau

This term is used to refer to an employee who has reached the highest level of growth possible in the organization, and cannot be promoted further due to the corporate structure or other factors that have nothing to do with his/her skills.

14] Consolidated Omnibus Reconciliation Act (COBRA) of 1985

Passed in 1985, the COBRA regulation makes it mandatory for employers with more than 20 employees, to provide healthcare benefits with an option for continuing coverage, even if the employee might lose the coverage due to termination or other factors.

15] Core Competencies

The term refers to the most key skills, knowledge and abilities for successful completion of the job, and is assessed through a HR Software.

16] Corporate Culture

It is a term used to denote the work environment within an organization. HR departments often make an effort to inculcate a positive corporate culture, and Digital HRMS is designed to help HR teams in this regard.

17] Cost Per Hire

It is a term used to refer to the direct as well as indirect costs involved in hiring an employee, right from advertising about the opening and employment agency fees to relocation costs, signing bonuses, and costs incurred in training the newly hired resource. A good HR Software keeps track of the cost per hire for each employee.

18] Department of Labor (DOL)

It’s the federal agency that administers and enforces a large volume of federal labor laws, including laws that safeguard employee rights.

19] Downsizing/Restructuring

These are terms that indicate that the company is planning to lay off employees and reduce its workforce.

20] Employee Benefits

Varying widely between organizations, employee benefits include the additional perks that employees receive, in addition to their basic salary. Some examples include pension plans, health insurance, paid vacations, food coupons, etc. Digital HRMS allows the HR to track employee benefits on the platform.

21] Employee Retention

This term refers to designing employee friendly policies and practices that boost employee engagement and make employees want to stay with the organization. A good HRMS software like Digital HRMS is designed to effectively boost employee engagement.

22] Equal Employment Opportunity (EEOC)

It is an organization that is responsible for federal laws that prevent employers from discriminating against employees on the basis of factors like race, colour, nationality, religion, gender, etc.

23] Equal Pay Act of 1963

A federal law that prevents employers to discriminate between male and female employees when it comes to payment for similar profiles.

24] Fair Labor Standards Act (FLSA)

This federal law defines the minimum wage and pay for overtime, as well as child labor standards, affecting full-time as well as part-time workers.

25] Full time & Part Time Employment

The difference between the two is made solely on the basis of the number of hours worked on a weekly basis. While a full-time employee is one who works for 30-40 hours a week, a part-time employee puts in less than 30 hours a week. An organization needs a good human resources systems software to keep track of employee working hours.

26] Gold Collar Employee

The term refers to resources who are highly qualified and hence in high demand but in short supply, such as scientists, specialists, engineers, etc.

27] Job DescriptionIt is a written outline of a job profile that an organization creates when hiring a resource for that position. It includes the job titles, roles and responsibilities, scope, duties, etc.

28] Key Performance Indicators (KPI)

KPI is a term that is used to refer to quantifiable or specific measures or parameters that are used to define the performance of an individual or an organization. A human resources systems software like Digital HRMS makes it easy to track KPIs for each profile effortlessly.

29] Knowledge Mapping

It is a term that is used to create a summation of the knowledge that an organization requires to achieve its goals.

30] Leave Sharing

It is a clause in the leave policy of an organization that allows employees to share their sick leaves with a coworker who has exhausted their sick leaves but needs to apply for more leaves due to an illness.

31] Minimum Wage

Minimum wage is the lowest wage that an employer can pay as permitted by the state or federal laws. It is currently $7.25 per hour.

32] Needs Analysis

It is termed as the approach to analyze skill deficits in employees and then identifying ways to address the deficits through trainings and sessions. Digital HRMS is a human resource management software that generates reports for the purpose.

33] Off-Duty Hours

A term used to refer to the hours during which the employee is completely relieved of his/her job duties and can attend to his personal activities.

34] Ombudsperson

Refers to a third party neutral individual who acts as a mediator in resolving conflicts through facilitating communication.

35] Onboarding

The paperwork that a new hire is required to get done with after joining an organization is referred to as onboarding. In some organizations, it also extends to activities to know the organization policies and other employees better. An advanced human resource management software offers an onboarding module to make the entire process seamless and hassle free.

36] Organization Chart

A graphical representation that outlines the hierarchy within the organization, and also the various departments and their function. Digital HRMS allows users to view their organization chart at a glance for quick reference.

37] Overtime

The Fair Labor Standards Act (FLSA) defines overtime as the work an employee performs that exceeds 40 hours a week.

38] Performance Review

Refers to the process of evaluation and documentation of the employee’s job performance. An organization needs a good human resource management software for effective performance reviews.

39] Paid Time Off (PTO)

An employee benefit program, it refers to a certain number of days that the employee is granted for vacation or personal activities, for which the employee receives the salary.

40] Red Circle Rate

It is a HR term used to refer to a pay scale that is far above the average pay for a particular job profile. Once an employee’s pay reaches the red circle rate, he/she is usually not eligible for a raise.

41] Relocation Assistance

The assistance provided by an organization to employees who are moving to a new city for the job. And includes moving costs, assistance in home buying, free accommodation for the initial days, and so on.

42] Safety Training

A training program that is designed to make employees learn the DO's and DON’ts regarding the basic safety procedures within the office premises, which can be carried out easily using a good HR manager software like Digital HRMS.

43] Stakeholder

It’s a term used to refer to the people involved in the successful completion of a project.

44] SWOT Analysis

It is a tool for strategy building that involves collection of an individual or an organization’s Strengths, Weaknesses, Opportunities and Threats regarding a specific project or task.

45] 360-degree Feedback

An approach to employee performance assessment whereby the feedback from every individual who is familiar with an employee, is taken into account in the assessment process. This includes peers, colleagues, reporting head, clients, etc. The personal assessment of the employee is also taken into consideration, and this can be easily derived using a HR manager software like Digital HRMS.

46] Talent Management

The HR term refers to the implementation of strategies to develop the skills of the workforce of the organization with an aim to increase the productivity and efficiency.

47] Think Tank

The HR term refers to a group that works with the sole purpose of brainstorming and conducting intensive research on a specific domain or topic.

48] Team Building

It’s a term that refers to an activity or a series of activities to help employees work together and learn the benefits of working together as a team.

49] Total Compensation

It is a term used to denote the complete pay package that an employee receives annually, which includes the basic salary along with benefits, perks and allowances, and can be tracked on a HR manager software.

50] Unretirement

It’s a term that is used to refer to the practice of hiring former employees who have already retired, because their skills are required for a specific project.