

Key Terms Glossary

A

- ability** Skill that an individual has already developed
- accounting** The function of business that involves maintaining and auditing records, sending out and paying bills, and preparing financial reports for a business; The systematic process of recording and reporting the financial position of a person or an organization
- accounting equation** A concept that states that assets must always equal the sum of liabilities and owner's equity
- accounts payable** The total amount a business owes to creditors
- accounts receivable** The total amount of money owed to a business. It represents money to be received in payments after goods or services are sold on credit.
- actual cash value** Value of an automobile when it was new minus depreciation
- ad campaign** A series of ad messages that share a single idea and theme
- advertising agency** A business that specializes in developing ad campaigns and ads for its clients
- advertising** Paid, non-personal form of communication that businesses use to promote their products and services
- ageism** Discrimination based on age
- annual percentage rate (APR)** Cost of credit on a yearly basis
- antitrust laws** Laws that allow the federal government to break up monopolies, regulate them, or take over them
- aptitude** Potential for learning a skill
- assets** Property or other items of value owned by a business
- audience** The number of homes or people exposed to an ad
- autocratic leadership** A leadership style in which one person runs everything and makes all decisions without consulting others

B

- baby boom generation** Persons born in the United States between 1946 and 1964
- background check** The process of verifying certain information provided by a job applicant
- bait and switch** Sales tactic in which buyers are tempted by an advertised bargain but are then persuaded to buy a more expensive item instead
- balance of trade** The difference in value between a country's imports and exports over a period of time
- balance sheet** A report of the balances in all asset, liability, and owner's equity accounts at the end of an accounting period
- bank account** A record of how much money a customer has deposited into or withdrawn from a bank
- bank reconciliation** Process of seeing whether an account holder's records agree with a bank's records for an account
- bank statement** The bank's record of all the transactions in a bank account
- bankruptcy** Legal process in which a borrower is relieved of debts after showing an inability to pay
- banner ads** Ads displayed across the top or bottom of a computer screen
- beneficiary** Someone who receives all or part of the proceeds of an insurance policy, or a survivor of a deceased policyholder
- benefits** Extras that workers receive, such as health and life insurance, sick leave, retirement plans, and holiday pay
- Better Business Bureau (BBB)** Nonprofit organization that collects information on local businesses and handles consumers' complaints
- body language** Nonverbal communication that includes posture, eye contact, facial expressions, and gestures
- bond discount** Difference between the amount you pay for the bond and its face value

C

bond Certificate issued by a government or company promising to pay back borrowed money at a fixed rate of interest on a specified date

boycott A refusal to buy a company's goods or services

brand name Trade name for a product or service produced by a particular company

breach of contract The failure of one party to live up to the terms of a contract

break-even point The point at which total revenues, or sales, equal total costs and expenses of making and distributing a product or service

brick-and-mortar Actual buildings, such as stores and warehouses

brokerage firms Financial institutions that sell stocks and bonds and also may offer a wide range of financial services to clients

budget A plan specifying how money will be issued or spent during a particular period

budget deficit When the government spends more on programs than it collects in taxes

budget surplus A situation in which a government's revenue exceeds its expenditures during a one-year period

budget variance Difference between the budgeted amount and the actual amount that is spent

bureaucracy Formal organization with several levels of management

business Any commercial activity that seeks profit by providing goods and services to others in exchange for money

business cycle The rise and fall of economic activity over time

business ethics Rules based on moral principles about how businesses and employees ought to conduct themselves

business etiquette Conduct that is considered socially acceptable in business

business plan A written description of a new business venture that describes all aspects of the business

capital Money supplied by investors, banks, or owners of a business. Start-up capital is the money used to pay for the various assets and expenses of a new venture or business.

canceled checks Checks that have been cashed

capital gain Profit made from the sale of a financial asset such as stock or a house

capital loss Amount lost when an asset is sold for less than its cost

capital resources The things used to produce goods and services

career Work history of one or more jobs in the same or related fields of interest

cash advance Loan given in cash by a credit card company in anticipation of the borrower's being able to repay it

cash flows The amount of money that is available to a business at any given time

cash-value insurance Insurance that provides both savings and death benefits; also called permanent insurance.

centralized organization An organization that puts authority in one place—with top management

certificate of deposit (CD) Type of savings account that requires a specified amount of money be deposited for a set period of time

channel of distribution A pathway to direct products to consumers

charge account Credit provided by a store or company for customers to buy its products

check Written order directing a bank to pay money on demand to the person or company named on it

check register Checkbook log in which an account holder records checking account transactions

chronological résumé A list of your achievements in time order

claim Request for payment from an insurer for any damages covered by an insurance policy

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clearance sale Sale to clear out goods that are going out of season or are no longer profitable

clicks-and-mortar The use of both the Internet and buildings, such as stores and warehouses, to conduct business

code of ethics A set of guidelines for maintaining ethics in the workplace

coinsurance Percentage of medical expenses that a policyholder must pay beyond the deductible

collateral Property or goods pledged by a borrower to use as security against a loan if the loan is not repaid

collectibles Items that appeal to collectors and investors

collection agent Person or business that collects payments for overdue bills

command economy An economic system in which a central authority makes the key economic decisions

commercial banks Banks that offer the entire range of banking services, such as checking and savings accounts, loans, and financial advice; also called full-service banks

commercial credit Credit used by businesses

commodities Items that are traded, especially unprocessed materials such as oil, food grains, and metals

commodities exchange Exchange where investors can buy contracts for quantities of a given commodity for delivery at a future date

common stock Stock that provides the most basic form of corporate ownership

comparative advantage The ability of a country or company to produce a particular good more efficiently than another country or company

comparison shopping Comparing the prices of competing brands or stores

compensation Pay and benefits

competition The contest between businesses to win customers

compound interest Interest earned on both the principal—the money deposited into a savings account—and any interest earned on it

compulsory insurance law Law that requires drivers to have a minimum amount of car insurance

computer An electronic device that accepts, processes, stores, and outputs data at high speeds, based on programmed instructions

computer-aided design (CAD) Software for designing products with a computer

conflict of interest Conflict between self-interest and professional obligation

conservation The process of preserving, protecting, and planning the management of resources

consolidation loan Loan that combines all your debts into one loan with lower payments

consumer Person who uses goods and services

consumer advocates Groups and individuals who work to protect, inform, and defend consumers

Consumer Credit Protection Act or Truth in Lending Act Federal law that requires creditors to inform consumers about the costs and terms of credit

consumer credit Credit used by people for personal reasons

consumer movement Movement to pass laws protecting consumers from unfair and unsafe business practices

consumer rights Protections included in the Consumer Bill of Rights. They are: the right to be informed, the right to choose, the right to safety, the right to be heard, the right to have problems corrected, the right to consumer education, and the right to service.

contract A legal agreement between two or more parties to do business

controllable risk Risk that can be controlled to minimize the chance of harm

controlling Keeping the company on track and making sure goals are met

cookies Bits of information about a computer user that are stored on the computer user's hard drive

cooperative Organization that is owned and operated by its members

copayment Fee paid each time a service is used

copyright The exclusive legal right given to artists to own their creations

corporate bonds Bonds issued by corporations to finance things such as construction and equipment

corporate culture A company's shared values, beliefs, and goals

corporation Company that is registered by a state and operates apart from its owners

cosigner Someone who agrees to be responsible for a debt if the main applicant does not pay it

cost per thousand (CPM) The media cost of exposing 1,000 readers or viewers to an advertising impression

coupon rate Rate of interest on a bond

cover letter Letter that accompanies a résumé and tells the employer about an applicant, explaining why the person is applying for a job

credit An agreement to get money, goods, or services now in exchange for a promise to pay in the future

credit counselor Someone who helps consumers work out a plan for getting out of debt and managing their money

credit limit The maximum amount a card holder can charge on a credit card

credit rating A measure of a person's ability and willingness to pay debts on time

credit report Document showing a person's credit history, including a record of past borrowing and repaying

credit unions Not-for-profit banks set up by organizations for their customers to use

creditor Person or organization that lends money or provides credit

culture The beliefs, customs, and attitudes of a distinct group of people

current assets Assets that are either used up or converted to cash during the normal cycle of the business

D

database management A computer program used to store data organized especially for rapid search and retrieval

debit card Bank card that immediately takes money from a checking account when it is used

debtor Person who borrows money or uses credit

decentralized organization An organization that gives authority to a number of different managers

deductible Amount in damages a policyholder must pay before the insurance company pays a claim

deductions Amounts that are taken from pay before a worker receives a paycheck

deficit Situation that occurs when more money is spent than is earned or received

deflation A general decrease in the cost of goods and services

delegating Giving managers and employees the power to run things and make decisions.

demand The amount or quantity of goods and services that consumers are willing to buy at various prices

democratic leadership A leadership style in which managers work with employees to make decisions

demographics Facts about the population

departmentalization Dividing responsibility among specific units, or departments

deposit The money put in a bank account

depreciation Decline in value of an asset

depression A deep recession that affects the entire economy and lasts for several years

Key Terms Glossary

desktop publishing Software used to produce publications such as reports, newsletters, and magazines

digital workflow Linking all the steps in a process digitally

direct deposit The electronic transfer of a payment directly from the payer's bank account to the account of the person being paid

direct distribution Distribution of goods or services from the producer directly to the customer

direct-mail advertising Ads sent by mail to people's homes

discrimination Unfair treatment of a person or group, usually because of prejudice about race, ethnicity, age, religion, or gender

diversify To vary investments in order to spread risk or expand

diversity A variety of employees with different backgrounds and identities

dividends A share of profits given to stockholders

down payment A portion of the total cost that is paid when a product or service is purchased

E

e-commerce Electronic commerce, or business conducted on the Internet

economic risk Risk that involves the likelihood of economic loss

economic system The method that a society chooses to use and distribute resources

economics The study of how individuals and groups of individuals strive to satisfy their wants and needs through making choices

e-learning Electronic learning; the process of learning online

electronic funds transfer (EFT) Allows money to be transferred from one bank account to another through a network of computers

embargo A ban on the import or export of a product

employability skills Basic skills that are needed to get, keep, and do well at a job

endorsement Signature of the payee on the back of the check

entrepreneur A person who recognizes a business opportunity and organizes, manages, and assumes the risks of starting and operating a business

entrepreneurial resources The people who recognize opportunities and start businesses

entrepreneurial Acting like an entrepreneur or having an entrepreneurial mindset

entrepreneurship The process of recognizing a business opportunity, testing it in the market, and gathering the resources necessary to start and run a business

entry-level job Job suitable for a worker who is new to a job, field, or subject

Environmental Protection Agency (EPA) A federal agency that enforces rules that protect the environment and control pollution

Equal Credit Opportunity Act Federal law stating that credit applications can be judged only on the basis of financial responsibility

Equal Pay Act Law passed in 1964 that requires men and women be paid the same wages for doing equal work

equilibrium price The point at which the quantity demanded and the quantity supplied meet

equity Value of a piece of property less the amount still owed on the money borrowed to purchase it

ergonomics Design factors for the workplace that are intended to maximize productivity by minimizing a worker's discomfort

e-tail Electronic retail

ethics Moral principles by which people conduct themselves personally, socially, or professionally

e-tickets Electronic tickets

e-workforce People who work with computers while doing business

- exchange rate** The price at which one currency can buy another currency
- executive summary** A brief recounting of the key points contained in a business plan
- expense** Amount of money used to buy or do something
- exports** Goods and services that one country sells to another country
- express warranty** Warranty that is explicitly stated, in writing or verbally
- extended coverage** Other types of protection added to a basic insurance policy
- extracurricular activities** Activities that students do besides schoolwork
- extranet** An extension of the intranet of a company or organization that gives authorized outsiders controlled access to the intranet

F

- factors of production** All the economic resources necessary to produce a society's goods and services
- Fair Credit Billing Act** Federal law that requires creditors to correct billing mistakes brought to their attention
- Fair Credit Reporting Act** Federal law that allows individuals to examine and correct information used by credit reporting agencies
- Fair Debt Collection Practices Act (FDCPA)** Federal law that serves to regulate collection agencies
- Federal Deposit Insurance Corporation (FDIC)** Government agency that insures bank accounts
- Federal Reserve System** The central bank of the United States
- Federal Trade Commission (FTC)** Agency that enforces antitrust laws and regulates interstate trade
- finance** The function of business that involves money management
- finance charge** The total amount it costs a borrower to have the lender finance the loan
- finance companies** Financial institutions that offer short-term loans to businesses and consumers, but at much higher interest rates than banks charge
- financial forecast** An estimate of a business's financial outlook for each of the next few years
- financial institution** A firm that manages money
- financial plan** A set of documents that outline the essential financial facts about a new firm or venture
- financial responsibility law** Law that requires drivers to pay for any damages or injuries they cause in an accident
- financial statements** Documents summarizing the changes resulting from business transactions that occur during an accounting period
- fixed assets** Items of value that are held for more than one year
- fixed expenses** Expenses that occur regularly and are regularly paid
- fixed rate** An interest rate that always remains the same
- Food and Drug Administration (FDA)** A federal government agency that protects consumers from dangerous or falsely advertised products
- franchise** Contractual agreement to use the name and sell the products or services of a company in a designated geographic area
- fraud** The crime of obtaining money or some other benefit by deliberate deception
- free trade** Few or no limits on trade between countries
- free-rein leadership** A leadership style that requires the leader to set goals for managers and employees and then leaves them alone to get the job done
- frequency** The number of times an audience sees or hears an ad
- full warranty** A guarantee about the quality of goods or services.
- full-time job** A job that requires at least 40 hours of work each week

Key Terms Glossary

G

garnishment of wages A court order to take all or part of a debtor's paycheck if he or she stops making payments

generally accepted accounting principles (GAAP) Rules that provide a way to communicate financial information to others

generic products Plainly labeled, unadvertised products that are sold at lower prices than brand-name goods

global economy The interconnected economies of the nations of the world

goals Things to be accomplished

goods Physical products

grace period Amount of time allowed to repay a debt without having to pay interest charges

grade labels Labels indicating the level of quality of foods

gross domestic product (GDP) The total value of the goods and services produced in a country in a given year

gross pay The total amount of money a worker earns for a specific time

group training Teaching several employees together

H

hacker A person who illegally gains access to and sometimes tampers with information in a computer system

hardware The physical components of a computer system

hazard Anything that increases the likelihood of loss through peril

health maintenance organization (HMO) Organization that provides health care at its own health centers for a fixed fee

hierarchy A formal chain of command with one person at the top who makes all the decisions

homeowners policy Insurance that covers damage to property and personal property,

additional living expenses if a home is destroyed, and liability protection

human relations The study of how people interact in the workplace and how communication can be improved

human resources The people employed in a business, commonly referred to as personnel

human resources management The process of finding, selecting, training, and evaluating employees

human risk The risk of harm caused by human mistakes, dishonesty, or another risk that is attributable to people

I

identity theft Theft of a person's financial information for the purpose of committing fraud under that person's identity

imports Goods and services that one country buys from another country

impression A single exposure to an advertising message

impulse buying The act of making unplanned purchases

income The actual amount of money earned or received during a given period

income property Property used to generate income

income statement A report of the revenue, expenses, and net income or net loss for an accounting period

indirect distribution Distribution involving one or more intermediaries

inflation A general increase in the cost of goods and services

inflation risk Risk that the rate of inflation will increase more than the rate of interest on savings

infomercial A 30-minute commercial

information technology (IT) Using computing, electronics, and telecommunications to process and distribute information in digital and other forms

initiative The ability to act and make decisions without the help or advice of others

Key Terms Glossary

installment loans Loans repaid in regular payments over a period of time

insurable risk Risk that meets an insurance company's criteria for insurance coverage

insurance Paid protection against loss due to injury or property damage

insurance companies Financial institutions that provide protection against problems such as fire and theft

insurance policy A contract between a person and an insurance company to cover a specific risk

integrity An adherence to a code of ethical values, such as honesty, loyalty, and fairness

interest A fee charged for the use of money

interest-bearing account An account that pays earns interest on the balance for the depositor

interests An individual's favorite activities

intermediary A business that moves goods from one business to another

international trade The exchange of goods and services between nations

Internet A global computer network that connects many computer networks to allow information to flow freely around the world

internship A temporary paid or unpaid position that involves direct work experience in a career field

interstate commerce Business that takes place between states

intranet A computer network within an organization

intrastate commerce Business within each state

investing Committing money or capital in order to gain a financial return

J

job Work that people do for pay; also known as an occupation

job description A detailed outline of the duties, qualifications, and conditions required to do a specific job

job interview A formal face-to-face discussion between an employer and a potential employee

job objective A statement about the type of job a job applicant wants

job shadowing The act of following another worker for a few days on a job

L

labor resources Individuals who make the goods and services for which they are paid

leadership Taking a company and its employees in a direction based upon a vision

leading Providing direction and vision

legal monopoly A company that is allowed to operate without competition

liabilities Creditors' claims to the assets of a business

licenses Legal permits to conduct business

life insurance Insurance that is paid to a person or people designated to receive the funds when the insured person dies

limited liability A claim that holds a firm's owners responsible for no more than the capital that they have invested in it

limited warranty A warranty that covers only certain parts of a product or requires the customer to bear some of the expense when repairs are needed

line and staff authority An organizational structure with direct lines of authority as well as staff who advise line personnel

line authority An organizational structure in which managers at the top of the line are in charge of those beneath them, and so on

liquidity The ability to quickly turn an investment into cash

loss leaders Advertised products that sell at a loss to bring customers into a store

Key Terms Glossary

M

management The process of achieving company goals by planning, organizing, directing, controlling, and evaluating the effective use of resources

manufacturers Businesses that make finished products out of processed goods

market A group of customers who share common wants and needs

market economy An economic system in which economic decisions are made in the marketplace, where buyers and sellers meet to exchange goods and services, usually for money

market research The gathering and analysis of information on the size, location, and makeup of a product market

market segmentation The division of a market for a product into groups of customers who have the same needs and traits

marketing The process of planning, pricing, promoting, selling, and distributing ideas, goods, and services

marketing concept The process of determining the wants and needs of customers and providing them more efficiently and effectively than competitors

marketing mix The four main elements of marketing, also called the four Ps: product, place, price, and promotion. It sometimes includes a fifth P, for people.

mass media Means of communication, such as television, radio, and newspapers

maturity date The date when the money deposited into a certificate of deposit becomes available to the depositor

media planning The process of selecting advertising media and deciding the time and space in which the ads should appear

Medicaid Federally and state-funded health-care plan for people who are unable to pay for insurance or health care

Medicare U.S. government's major health insurance program for the elderly

middle managers Managers who carry out the decisions of top management

mission statement A statement that expresses the specific aspirations of a company, the major goals for which it will strive

mixed economy A combination of a market economy and a command economy

monetary system A system in which goods and services are directly exchanged using money

money A standard of value and a means of exchange or payment

money management A method of planning to get the most from one's money

money market deposit account A form of money market fund offered by banks, savings and loans, and credit unions

money market fund A type of mutual fund, or pool of money, put into a variety of short-term debt (less than one year) by businesses and governments

monopoly A company that controls an industry or is the only one to offer a product or service

mortgage An agreement in which a borrower gives a lender the right to take property if a loan is not repaid

mortgage companies Financial institutions that provide loans specifically for buying a home or business

multi-channel retailer A company that uses several means to sell products

multinational corporation A company that does business in many countries and has facilities and offices around the world

municipal bonds Bonds issued by local and state governments to finance city, town, or regional projects such as schools, highways, and airports

mutual fund A fund created by an investment firm that raises money from many shareholders and invests it in a variety of stocks or other investments

N

- national debt** The total amount of money a government owes
- natural resources** Raw materials from nature used to produce goods
- natural risk** The possibility of a catastrophe such as a flood, tornado, hurricane, fire, lightning, drought, or earthquake
- needs** Things that you must have in order to survive
- net pay** Gross pay minus deductions
- networking** The practice of building informal relationships with people whose friendship could bring advantages such as job or business opportunities
- no-fault insurance** Insurance that requires drivers involved in accidents to collect damages from their own insurance companies no matter who is at fault
- nonprofit organization** A type of business that focuses on providing a service rather than making a profit

O

- occupation** Activity in which one engages; also known as a job
- Occupational Safety and Health Administration (OSHA)** A division of the U.S. Department of Labor that sets and enforces work-related health and safety rules
- oligopoly** A small number of companies that control an industry
- on-the-job training** Learning a new job by actually doing it
- operating system** Software that controls the operation of a computer and directs the processing of programs
- operational managers** Managers who are responsible for the daily operations of a business
- opportunity cost** What you give up when you make one choice instead of another, sometimes called a tradeoff

- organizational chart** A chart that shows how the firm is structured and who is in charge of whom
- organizing** Getting resources arranged in an orderly and functional way to accomplish goals and objectives
- orientation** The process of helping new employees adjust to a company
- outsourcing** Using outside sources to do tasks traditionally handled by internal staff
- outstanding checks** Checks that have been written but have not yet been cashed
- overdraft protection** A line of credit for overdrawn checks
- overdrawn** Having written checks for more money than the balance in the account
- owner's equity** An owner's claims to the assets of a business

P

- partnership** A business owned by two or more people who share its risks and rewards
- patent** A legal grant for the sole right to own an invention
- performance appraisal** An evaluation of how well an employee is doing a job
- peril** Anything that may possibly cause a loss
- personal financial planning** Spending, saving, and investing money to assure a certain kind of lifestyle as well as financial security
- personal property** Possessions that can be moved, such as furniture, jewelry, and electronic equipment
- personality** The sum total of a person's feelings, actions, habits, and thoughts; characteristics that make someone special
- planning** The act or process of creating goals and objectives as well as the strategies to meet those goals and objectives
- pollution** The contamination of air, water, and land
- pop-up ads** Ads that appear for a few seconds when a computer user first logs on to the Internet or clicks on to a Web site

Key Terms Glossary

precious gems Rough mineral deposits (usually crystals) that are dug from the earth by miners and then cut and shaped into brilliant jewels

precious metals Valuable ores such as silver, gold, and platinum

pre-existing condition Serious health condition diagnosed before a person obtained health insurance

preferred provider organization (PPO) Group of doctors and hospitals that agree to provide specified medical services to members at prearranged fees

preferred stock Stock that gives the owner the advantage of receiving cash dividends before common stockholders receive any

premium The price an insured person or business pays for insurance protection for a specified period of time

presentation program Software for creating slide shows for presentations

price discrimination Act of charging various prices for the same product or service in different markets or to different customers

price The amount of money given or asked for when goods and services are bought or sold

prime time The time period when the TV or radio audience is the largest

principal The amount of borrowed money that is still owed and on which interest is based

privatization Hiring a business to offer a public good or service

proceeds The face value of a life insurance policy

processors Businesses that change raw materials into more finished products

procurement The buying and reselling of goods that have already been produced

producer A business that gathers raw products in their natural state

product liability The legal responsibility that manufacturers have to make a safe product

production The process of creating, expanding, manufacturing, or improving goods and services

profit The money left over after a business has paid the cost of providing its goods and services

promotion A move to a higher-level job that has more authority, responsibility, and pay

promotional sale A sale that offers a special buy on a new product or product that is in season

property Anything of value that is owned or controlled

prosperity A peak of economic activity

protectionism The practice of the government putting limits on foreign trade to protect businesses at home

pure risk The threat of a loss with no opportunity for gain

Q

qualifications Education, skills, and work experience needed to do a particular job

quota A limit placed on the quantities of a product that can be imported

R

random access memory (RAM) A computer memory used to hold all of the data and instructions required during operations

rate of return The percentage of increase in the value of savings from earned interest

real estate Land and anything attached to it, such as buildings or natural resources

real estate agent A person licensed to arrange the buying and selling of homes and other types of real estate

real property Property attached to land, such as a house, business, garage, or other building

recall An order to take back and repair or replace a product that has defective parts

recession A slowdown of economic activity

recovery A rise in business activity after a recession or depression

S

recruitment Actively looking for qualified people to fill a job

recycling The collecting of products for processing so that they can be used again

reference Someone who comments on a job applicant's character and qualifications for a job

regular savings account A savings account that allows consumers to deposit or withdraw money at any time and to earn interest on deposited funds

relationship marketing A strategy to build customer relations

rental property Any type of dwelling unit or other property rented for a length of time

renters insurance Insurance that covers loss or damage to a renter's personal possessions

replacement value The full cost of repairing or replacing property, regardless of its depreciation value

repossess To take back

reserves Funds set aside for emergencies, such as a rush of withdrawals at a bank

residential property Property in which an individual or family lives

resources Items that people can use to make or obtain what they need or want

résumé A summary of an individual's skills, education, and work experience

retailer A business that purchases goods from a wholesaler and sells them to the consumer, the final buyer of the goods

revenue The income that governments get from all sources; the money that comes into a business from the sale of goods and services

rider An addition to an insurance policy that covers specific property or damages

risk The possibility of loss or injury

risk management The systemic process of managing risk to achieve your objectives

safe-deposit box A secure box in a bank's vault for the safe storage of a customer's valuables

salary A fixed amount of pay for each week, month, or year

saving Putting money aside for future use

savings and loan associations Financial institutions that hold customers' funds in interest-bearing accounts and invest mainly in mortgage loans

savings bonds Registered bonds that are sold in denominations of \$50 to \$10,000

scarcity A shortage of resources

search engine A computer program that searches for specific words on the Internet and returns a list of documents in which they were found

secured loan A loan backed by collateral

security A tradable document that shows evidence of debt or ownership

self-managed teams Work groups that supervise themselves. With these teams, the manager's role is replaced by the team leader's role.

separation Leaving a company for any reason

services Tasks that businesses perform for consumers

signature card A record of a bank customer's signature used by the bank to verify the customer's identity

simple interest Interest earned only on money deposited into a savings account, called the principal

skill The ability to perform a task based on training and experience

small business An independently owned business that usually has the owner as its manager

Small Business Administration (SBA) A U.S. agency that protects the interests of small businesses

social responsibility The duty to do what is best for the good of society

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software A computer program that contains a set of instructions that tell a computer what to do

sole proprietorship A business owned by only one person

spreadsheet A computerized worksheet for entering and charting data

standard fire policy Insurance that covers damage due to fire or lightning

standard of living The level of material comfort as measured by the goods and services that are available

start-up A newly formed business that usually is small

statement of cash flows A financial report that shows incoming and outgoing money during an accounting period (often monthly or quarterly)

stereotype To identify a person by a single trait or as a member of a certain group rather than as an individual

stock exchange An organized market for buying and selling financial securities

stock Share of ownership in a business

stockbroker A person who buys and sells stocks, bonds, and other securities for clients

stop payment An order for a bank not to cash a particular check

subsidies Grants given to lower costs

supply The amount of goods and services that producers will provide at various prices

surplus Extra money that can be spent or saved

sweatshop A shop or factory in which workers are employed for long hours at low wages and under unhealthy conditions

T

target marketing Marketing that helps companies focus on the people most likely to buy their goods or services.

tariff A tax placed on imports to increase their price in the domestic market

tax An amount of money people and businesses pay governments to help run a nation, state, county, city, or town

tax incentives Reductions in taxes that a government gives to a business or an individual to encourage a particular behavior

telecommunications The transmission of information over communication lines

telecommuting An arrangement that allows employees to work at home while communicating with the workplace by phone, fax, or modem

term insurance Insurance that covers a person for a specific period of time

test-market Offering a product in a limited market for a limited time

top-level managers Managers who are responsible for setting goals and planning for the future as well as leading and controlling the work of others

trade The activity of buying and selling goods and services in domestic or international markets

trademark A name, symbol, or characteristic that identifies a product

transfer A move to another job within a company at the same level and pay

transit advertising Posters placed on the sides of buses, in subway stations, inside trains, and at airports

trust A group of companies that band together to form a monopoly and cut out competition

turnover The number of employees who leave an organization and are replaced over a certain period

U

- uncontrollable risk** Risk that cannot be controlled to minimize the chance of harm
- undeveloped property** Unused land intended only for investment purposes
- uninsurable risk** Risk that is unacceptable to insurance carriers because the likelihood of loss is too high
- unlimited liability** A liability that holds the owner fully responsible for a company's debts
- unsecured loan** A loan that is not backed by collateral
- usury law** A law restricting the amount of interest that can be charged for credit

V

- values** Important beliefs and ideas that guide a person's decisions and life
- variable expenses** Expenses that change and can be controlled more easily than fixed expenses
- variable rate** An adjustable interest rate charged by financial institutions such as banks
- virtual business** or **dot-com company** A business that operates on the Internet
- virtual reality** An artificial, three-dimensional visual world created by a computer
- virus** A program that is part of another and inserts copies of itself, often damaging the stored data
- vision statement** A statement that establishes the scope and purpose of a company and reflects its values and beliefs
- volunteerism** Working without pay

W

- wage** An amount of money paid to an employee on an hourly basis
- wants** Things that a person does not have to have to survive, but would like to have
- warranty** A written guarantee from the manufacturer or distributor that states the conditions under which a product can be returned, replaced, or repaired
- wearable computer** A small portable computer that is designed to be worn on the body during use
- Web browser** A computer program used for displaying and viewing Web pages
- webcast** A broadcast made on the Internet
- wholesaler** A business that distributes goods; also known as a distributor
- withdrawal** The money taken out of a bank account
- word processing** Writing, editing, and producing documents, such as letters and reports, through the use of a computer program
- World Wide Web** A system for accessing, changing, and downloading a large set of hypertext-linked documents and other files located on computers connected through the Internet

Y

- yield** The amount of money an investment earns

Academic Vocabulary Glossary

A

access The act of approaching or entering; to get at

accommodation The provision of what is needed; adaptation or adjustment

accumulate To increase gradually in quantity or number

accurate Free from error, especially as the result of care

achieve To carry out successfully; accomplish

achievement A result gained by effort

acquire To get as one's own

adaptable Capable of changing

adequate Sufficient for a specific requirement

adjust To adapt or conform

administrator One who manages or supervises

affect To produce an effect upon

allocate To apportion for a specific purpose or to particular persons or things

alteration The act of making something different

alternative One of two or more things, courses, or propositions to be chosen

analyze To study or determine the nature and relationship of component parts

annual Occurring or happening every year or once a year

anticipate The act of looking forward

approach The taking of preliminary steps toward a particular purpose

area A geographic region

assemble To bring together for a particular purpose

assess To determine the importance, size, or value

assignment A specified task

associate To connect one thing with another in the mind

assurance A statement intended to inspire confidence

attach To fasten one thing to another

attitude A feeling or emotion toward a fact or state

author One who originates or creates

authority The power to influence or command thought, opinion, or behavior

authorize To invest with legal authority

automatic Done by machine; mechanical

available Present or ready for immediate use

aware Having or showing realization, perception, or knowledge

B

behalf In the interest of or to benefit someone else

benefit An advantage

bond An interest-bearing certificate of public or private indebtedness

bulk Not divided into parts or packaged in separate units

C

challenging Arousing competitive interest, thought, or action

civil Of or relating to citizens

comment To make an observation or remark expressing an opinion or attitude

commission A fee paid to an agent or employee for transacting a piece of business or performing a service

commit To pledge or assign

common Shared by two or more parties

communicate To transmit information, thought, or feeling so that it is satisfactorily received or understood

community A body of persons of common and especially professional interests scattered through a larger society

compare To examine and note the similarities or differences of

complement To fill out or complete

complex A whole structure (such as a building) made up of interconnected or related structures

Academic Vocabulary Glossary

comprehensive Covering completely or broadly

concept Something conceived in the mind

conduct A mode or standard of personal behavior

conflict Competitive or opposing action of incompatibles

consider To think about carefully

consist To be composed or made up—usually with *of*

constant Continually occurring or recurring

contact To get in communication with

contribute To play a significant part in bringing about an end or result

control To exercise power or influence over something

controversy A discussion marked especially by the expression of opposing views

conversely Reversed in order, relation, or action

convert To change from one form or function to another

convince To bring to belief, consent, or a course of action

cooperate To act or work with another or others

create To produce or bring about by a course of action or behavior

criteria Standards on which a judgment or decision may be based

crucial Of extreme importance

D

data Factual information used as a basis for reasoning, discussion, or calculation

decade A period of 10 years

decline The state of decreasing

demand An urgent request

demonstrate To illustrate and explain, especially with examples

design To devise for a specific function or end

despite In spite of

determine To settle or decide by choice of alternatives or possibilities

device A piece of equipment

display To put or spread before the viewer

dispose To get rid of

dispute A disagreement

distinct Distinguishable to the eye or mind as discrete; separate

distribute To divide among several or many

diverse Differing from one another

document A writing conveying information

duration Time during which something exists or lasts

E

edit To alter, adapt, or refine, especially to bring about conformity to a standard or to suit a particular purpose

element A constituent part

eliminate To put an end to; remove

emphasis Special importance or significance

enable To make possible, practical, or easy

encounter To come upon or experience, especially unexpectedly

enforce To carry out effectively

enormous Marked by extraordinarily great size, number, or degree

ensure To make sure, certain, or safe

error Something produced by mistake

establish To gain full recognition or acceptance

estate The assets and liabilities left by a person at death

estimate To determine roughly the size, extent, or nature of

ethnic Of or relating to large groups of people classed according to common racial, national, tribal, religious, linguistic, or cultural origin or background

evaluate To determine the significance, worth, or condition of, usually by careful appraisal and study

evident Capable of being seen or noticed

Academic Vocabulary Glossary

- exceed** To be greater than or superior to
- expand** To increase the extent, number, volume, or scope of
- expert** Someone with special knowledge or ability

F

- facilitate** To help bring about
- factor** One that actively contributes to the production of a result
- feature** A prominent part or characteristic
- federal** Of or relating to the central government or a federation as distinguished from the governments of the constituent units
- fee** A sum paid or charged for a service
- final** Last in a series, process, or progress
- flexible** Characterized by a ready capability to adapt to new, different, or changing requirements
- fluctuate** To shift back and forth uncertainly
- focus** To concentrate attention or effort
- formula** A group of symbols associated to express facts or data concisely
- function** The action for which a person or thing is specially fitted or used or for which a thing exists
- fund** A sum of money or other resources set apart for a specific purpose

G

- gender** A sex, or the behavioral, cultural, or psychological traits typically associated with one sex
- generate** To bring into existence, produce
- goal** The end toward which effort is directed
- grant** To give or transfer formally
- guarantee** An assurance for the fulfillment of a condition
- guideline** An indication of policy or conduct

H

- hence** Because of a preceding fact or premise

I

- identify** To establish the identity of
- illustrate** To show clearly
- image** A visual representation of something
- impact** A significant or major effect
- incentive** Something that incites or has a tendency to incite to determination or action
- incline** To lean, tend, or become drawn toward
- income** A gain or recurrent benefit usually measured in money that derives from capital or labor
- incorporate** Unite or work into something already existent so as to form an indistinguishable whole
- indicate** To point out or point to
- individual** A single human being
- initiate** To cause or facilitate the beginning of
- injure** To inflict bodily harm
- insert** To put into something
- instance** A step, stage, or situation viewed as part of a process or series of events
- institution** An established organization or corporation
- integral** Essential to completeness
- integrity** The quality of possessing firm moral principles and values
- interact** To act together, toward others, or with others
- intermediate** Being or occurring at the middle place, stage, or degree between extremes
- internal** Of, relating to, or occurring on the inside of an organized structure
- involve** To engage as a participant
- issue** To put forth or distribute, usually officially
- item** A distinct part in an enumeration, account, or series; an article

Academic Vocabulary Glossary

J

justify To prove or show to be just, right, or reasonable

L

label To describe or designate with or as if with a label

labor Human activity that provides goods or services in an economy

link To couple or connect

locate To determine or indicate the place, site, or limits of

M

maintain Keep in an existing state

major Greater in dignity, rank, importance, or interest

manual A book that is conveniently handled; a handbook

mature To become due

mean To indicate or signify

media Channels or systems of communication, information, or entertainment

medical Of, relating to or concerned with physicians or the practice of medicine

medium Intermediate in quantity, quality, position, size, or degree

mental Of or relating to the mind

method A procedure or process for attaining an object

military Of or relating to soldiers, arms, or war

minimize To reduce or keep to a minimum

minimum The least quantity assignable, admissible, or possible

mode Particular form or variety of something

modify To make less extreme

monitor To watch, keep track of, or check

mutual Shared in common

N

network A group of radio or television stations linked by wire or radio relay

nevertheless In spite of that; however

nuclear Produced by a nuclear reaction (as fission)

O

objective Something toward which effort is directed

observe To watch carefully

obtain Gain or attain, usually by planned action or effort

occurrence Something that occurs; an event

option An alternate course of action; a choice

order A request or demand

overall Including everything

overseas Situated, originating in, or relating to lands beyond the sea

P

panel A group of persons who discuss a topic of public interest

participate Have a part or share in something

partner A member of a partnership, especially in a business

percentage The result obtained by multiplying a number by a percent

perform To carry out a function

period A portion of time determined by some recurring phenomenon

physical Having material existence

plus In addition to

policy A definite course or method of action selected from among alternatives and in light of given conditions to guide and determine present and future decisions

portion A part or share of something

pose To pretend to be someone else

Academic Vocabulary Glossary

potential Existing in possibility
predict To declare or indicate in advance
primary Of first rank, importance, or value
prime Having the highest quality or value
principle A rule or code of conduct
priority Something given or meriting attention before competing alternatives
process A series of actions or operations leading to an end
professional One who engages in a pursuit or activity professionally
prohibit Forbid by authority
project To plan, figure, or estimate for the future
publication A published work such as a magazine or journal
purchase To obtain by paying money or its equivalent
purpose The goal or intended outcome of something
pursue Employing measures to obtain or accomplish

Q

quote To state the current price of something

R

random Lacking a definite plan, purpose, or pattern
range A series of things in a line
region A broad geographic area distinguished by similar features
registered Enrolled formally
regulate To bring under the control of law or constituted authority
reject To refuse to accept or acknowledge
relationship The state of being related or interrelated
relaxed Easy of manner; informal
release To make available to the public
rely To be dependent

remove Get rid of; eliminate
require Demand as necessary or essential
research To collect information about a particular subject
resolved Cleared up, decided
resource A source of supply or support
respond To react in response
restore To bring back to or put back into a former or original state
restrict To confine within bounds
retain Keep in possession or use
reveal To make publicly or generally known
revise Look over again in order to correct or improve
role A function or part performed, especially in a particular operation or process
route An established or selected course, travel, or action

S

scenario An account or synopsis of a possible course of action or events
schedule A procedural plan that indicates the time and sequence of each operation
scheme An elaborate and systematic plan of action, especially a crafty or secret one
section A distinct part or portion of something written
sector A sociological, economic, or political subdivision of society
secure Free from risk or loss
seek Go in search of
series A number of things or events of the same class coming one after another in spatial or temporal succession
set Put into a position
shift To change the place, position, or direction of
significant Of a noticeably or measurably large amount
similar Having characteristics in common
simulate To give or assume the appearance or effect of

Academic Vocabulary Glossary

sole Having no sharer; being the only one
source One that provides information
specific Applying to, characterized by, or distinguishing something particular, special, or unique
stable Firmly established
strategy A careful plan or method
stress To emphasize
structure Coherent form or organization
submit Present or propose to another for review, consideration, or decision
sufficient Enough to meet the needs of a situation
suggest To mention or imply as a possibility
sum The result of adding numbers
summary An abstract, abridgment, or compendium
supplement Something that completes or makes an addition
survey A detailed critical inspection
survivor One who remains alive after death
sustain To give support or relief to
symbol Something that stands for or suggests something else by reason of relationship, association, convention, or accidental resemblance

T

task A usually assigned piece of work often to be finished within a certain time
team A number of persons associated together in work or an activity
technical Of or relating to proficiency in a practical skill
technique A method of accomplishing a desired aim
technology The practical application of knowledge, especially in a particular area
temporary Lasting for a limited time
theory A hypothesis assumed for the sake of argument or investigation

trace Discover signs, evidence, or remains of
tradition An inherited, established, or customary pattern of thought, action, or behavior
transferable The ability to be moved to a different place, region, or situation
transit The transportation of passengers by means of a local public transportation system
transmit To send or convey from one person or place to another
transport To transfer or convey from one place to another
trend A prevailing tendency or inclination

U

ultimate Last in a progression or series
undergo Submit to
unique Distinctively characteristic
utilize To make use of

V

valid Having legal efficacy or force
vary To make differences between items
vehicle A means of carrying or transporting something
version A form or variant of a type or original
via By way of
vision An image or concept in the imagination
visual capable of being seen; visible

W

welfare The state of doing well, especially in respect to good fortune, happiness, well-being, or prosperity