# Subject Index

Note: *f* denotes a figure, and *t* denotes a table.

#### Numbers/Symbols

360-degree feedback, 201

### A

ABMs. 406 absenteeism, 223 absolute advantage, 118 accommodative stance, 75 accountability, 177, 445 accountants accounting services, 291-292 certified general accountant (CGA), 290-291 certified management accountant (CMA), 291 chartered accountant (CA), 290 controller, 290 forensic accountants, 291 private accountants, 292-293 professional accountants, 290-291 accounting accountants. See accountants accounting cycle, 293, 293f accounting equation, 293-294 accounting information system (AIS), 289 accounting rules, 288 bookkeeping, 288 defined, 288 described, 288-289 double-entry accounting systems, 294 financial accounting system, 290 financial statements. See financial statements generally accepted accounting principles (GAAP), 291 green revolution, 289 international accounting standards, 291 managerial (management) accounting, 290 pension accounting, 287-288 users of accounting information, 289, 290 accounting cycle, 293, 293f accounting equation, 293-294 accounting services auditing, 291 management consultant services, 292 tax services, 291-292 accounts payable, 296, 436 accounts receivable, 295, 436, 438 accredited investors, 421 acquisition, 49-51

administrative expenses, 297 administrative law, 29 advertising advertising medium, 358-362 counterfeit brands, 72 defined, 358 ethics in, 71-73 global advertising, 366-367 guerilla advertising, 72-73 measurement of effectiveness, 370-371 morally objectionable advertising, 73 recruitment through, 196 slogans, 358 stealth (undercover) advertising, 72-73 truth in advertising, 71 advertising medium defined, 359 direct mail, 360 Internet, 361 magazines, 360 media mix, 362 newspapers, 359 outdoor advertising, 360 strengths and weaknesses. table of, 360t television, 359-360 virtual advertising, 362 word-of-mouth (WOM) advertising, 361 Africa, 116, 132, 324 agency, 30 agency-principal relationship, 30 agents, 380, 382 aggregate output, 38 aggression in the workplace, 223 agreeableness, 224 Agreement on Internal Trade (AIT), 129 air freight, 388 air pollution, 68-69 All-Star Execs list, 151 alternate banks, 411 alternatives, evaluation of, 339 ambush marketing, 366 Americas Free Trade Area (AFTA), 132 analytic process, 263 angels, 95 anti-combines legislation, 20 anti-competitive restrictions, 381 anti-discrimination laws, 205-206 anti-virus software, 319 application forms, 199 applied R&D, 43 appraisal methods, 202, 202f appraisal process, 201-202, 202f arbitration, 214-215 artificial intelligence (AI), 317

CourseSmert

ASEAN Free Trade Area, 132 Asia, 132 see also Pacific Asia Asia-Pacific Economic Cooperation, 132 assembly lines, 267 assembly processes, 263 assessment centre, 200 assets, 293, 294-296 assignment of tasks, 176-177 ATMs. 406 attitudes, 225 audit, 291 Australia, 117 authority, 177 committee and team authority, 179 distribution of, 177-178 forms of authority, 178-179 line authority, 178-179, 178f staff authority, 178f, 179 autocratic style, 238 automated banking machines (ABMs), 406 automated teller machines (ATMs), 406 average demand, 266 average inventory, 300

#### B

bailment, 30 bailor-bailee relationship, 30 balance of payments, 119-120 balance of trade, 40, 119, 120 balance sheet, 93 balance sheets, 294-296, 294f Bank Act, 405, 406, 410 bank credit, 443 bank loans, 407 Bank of Canada, 42, 410-411, 410f bank rate, 410 banker's acceptance, 406 bankrupt person (or company), 32 bankruptcy, 32 Bankruptcy and Insolvency Act, 32 banks alternate banks, 411 chartered banks. See chartered bank as debt financing source, 96 international bank structure, 413 bargain retailers, 383 barriers to international trade business-practice laws, 129 cattels, 129 dumping, 129 economic differences, 126-127 embargo, 127 European Union (EU), 130-131, 131f General Agreement on Tariffs and Trade (GATT), 130

Subject Index 509

barriers to international trade (continued) legal and political differences, 127-129 local-content laws, 128-129 North American Free Trade Agreement (NAFTA), 131 overcoming barriers to trade, 130-132 protectionism, 128 protectionist tariffs, 127 quotas, 127 revenue tariff, 127 social and cultural differences, 126 subsidy, 126-128 tariff, 127 World Trade Organization (WTO), 130 basic communications protocols, 310 basic compensation, 203 basic (pure) R&D, 43 Baumol's Disease, 274 beat markets, 424 behaviour modification, 229-230 behavioural approach, 238 behavioural aspects of decision making, 156 behaviours of employees. See employee behaviour bell curve, 202 benchmarking, 278 benefits, 329 benefits (employee) cafeteria-style benefit plans, 205 collective bargaining, 213 defined, 204 health insurance, 204 importance of perks, 205 mandated protection plans, 204 optional protection plans, 204 paid time off. 205 protection plans, 204 wellness programs, 205 "big five" personality traits, 224, 224f Big Mac currency index, 413, 413t bill of materials, 273 Bills of Exchange Act, 31 biomass, 70 blue-sky laws, 426 BNA Act. See British North America Act board of directors, 102-103 bona fide occupational requirement, 205 bond indenture, 440 bonds bearer bonds, 420 bond quotations, 423, 424f bond yield, 424 callable bond, 420 convertible bonds, 420-421 corporate bonds, 419-420, 439-440 coupon rate, 423 defined, 419 government bonds, 419 interest payment, 420 ratings, 419, 419t

registered bonds, 420 retirement of bonds, 420-421 secured bonds 420 setial bond, 420 sinking-fund provision, 420 bonus, 204 bookkeeping, 288 bootstrapping, 95 boundaryless organization, 182-183 boycott, 214 BP oil spill, 10, 47 branch offices, 125 brand awareness, 355 brand equity, 354 brand insistence, 355 brand lovalty, 355 brand names, 354-355 brand preference, 355 branding brand equity, 354 brand loyalty, 355 brand names, 354-355 defined, 353 e-business, and international branding, 355 Brazil, 117-118 breach of contract, 30 break-even analysis, 376-377, 377f break-even point, 377 bribes, 64 BRIC. 117-118 British North America Act, 29, 211t brokers, 380, 382 budget, 298 budget deficits, 40 bull markets, 424 business defined, 5 distribution of employment by size of firm, 89 empowerment, 231 environment of business. See environment of business family business, 99, 110-111 global business. See global business government, influence of, 10-13 government, influence on, 13 government-business interactions, 10-13 history of, in Canada, 18-22, 19t international business. See global business Part 2 of business plan, 248-250 responsible business behaviour, 46-47 business analysis, 352 business cases see also opening cases Are We Running Out of Oil?, 26-27 Bombardier's Global Strategy, 136-137

168-169 Changing Distribution Channels in the Music Business, 393-394 The Commercial Paper Crisis, 449-450 Dell Facing Serious Challenges, 344-345 Family Business, 110-111 Inflation, Deflation, and the Validity of the CPI, 56-57 Measuring the Effectiveness of Advertising, 370-371 Pollution on the High Seas, 82-83 **Ouality Problems in Service** Businesses, 284-285 Reports from the Wal-mart-Union Battlefield, 218-219 Stock Market Games and the Dark Side of Financial Advising, 430-431 Structure Evolves at Frantic Films, 189-191 What About Telecommuting?, 246-247 Who Will Take the Blame, 303-305 business cycle, 38, 38f Business Development Bank of Canada (BDC), 96 business ethics, 61 business incubators, 96, 96t business law see also law agency, 30 bailment, 30 bankruptcy, 32 contracts, 30 defined, 29 international framework, 33 negotiable instruments, 31-32 property law, 31 torts, 31 warranty, 31 business-level (competitive) strategy, 160, 161 business ownership forms. See forms of business ownership business plan defined, 94 Part 1 of business plan, 138-139 Part 3 of business plan, 321-322 Part 4 of business plan, 395-396 well-written business plan, 95t business-practice laws, 129 business process management, 49 business process re-engineering, 279 **Business Register**, 87 business-to-business (B2B) brokers, 385 business-to-business (B2B) transactions, 8 business-to-consumer (B2C) transactions, 8

The Business of Bagging Customers.

buyers, 48 buying an existing business, 99 buzz marketing, 339

#### C

cafeteria-style benefit plans, 205 caisses populaires, 411 call option, 422 call price, 417, 420 callable bond, 420 callable stock, 417 campus interviews, 196 Canada balance of trade, 40, 119 budget deficits, 40 Canadian dollar, 120, 121 Canadian vs. U.S. banks, 415 capital requirements, 412 competition policy, 11 Corruption Perceptions Index, 129 creditor nation, 40 exports, 119f foreign buyouts, 125 GDP per capita, 39 global competitiveness ranking, 119 government bailouts, 9 as high-income country, 116 history of business in Canada, 18-22, 19t imports, 119f management of Canadian economy, 42-43 management styles, 241 market economy in, 13-16 mergers and acquisitions, 51 mixed market economy, 10 productivity levels, 274 rate of price increases, 41f R&D spending, 43 role in global economy, 116 top foreign-controlled companies, 126t top small- and medium-sized employers, 87t top ten corporations, 102t venture capital industry, 412 World Trade Organization, founding member of 130 Canada Business Corporations Act, 103-104 Canada Business program, 13 Canada Labour Code, 211-212 Canada Pension Plan, 204 Canada Savings Bonds, 420 Canada Small Business Funding Program, 443 Canada Water Act, 12 Canadian Charter of Rights and Freedoms, 212 Canadian dollar, 120, 121, 413

Canadian Environmental Protection Act 70 Canadian financial system alternate banks, 411 chartered banks, 405-411 financial institutions, 405-412 "four financial pillars," 405 government financial institutions and granting agencies, 412 investment dealers, 412 other sources of funds, 412 specialized lending and savings intermediaries, 411-412 Canadian Human Rights Act, 205, 207.212 Canadian Radio-television and Telecommunications Commission (CRTC), 10 Canadian stock exchanges, 418 Canadian Wheat Board, 10 cap and trade system, 68 capacity planning, 266 capital, 6 capital expenditures, 437 capital items, 350 capital market, 412 capital requirements, 94 capitalism, 8 carbon credits, 422 carbon dioxide emissions, 68, 68f cattels, 129 cases. See business cases; opening cases; video cases cash, 295 cash budget, 93 cash discounts, 379 cash flow management, 298, 435 cash-flow requirements, 443, 443f cash flows from financing, 298 cash flows from investing, 298 cash flows from operations, 298 casual gaming industry, 363 catalogue marketing, 385 catalogue showrooms, 383 cause and effect diagrams, 275, 275f cellular layout, 267 centralized organization, 177 certificates of deposit (CDs), 404 certified general accountant (CGA), 290-291 certified management accountant (CMA), 291 chain of command, 172-173 change management, 164 channel captain, 382 channel conflict, 381-382 channels of distribution, 379-380, 379f charismatic leadership, 239-240, 239f charitable donations, 76 chartered accountant (CA), 290 chartered bank

automated banking machines (ABMs), 406 bank loans, 407 bank rate, 410 branch offices, 410 in Canada, 406 changes in banking, 408-409 consumer demand, changes in, 408-409 as creators of money, 407-408, 408f defined, 406 deregulation, 408 direct deposits and withdrawals, 406 e-cash, 407 electronic funds transfer (EFT), 406-407 financial advice, 406 international banking, 410 international services, 406 online and mobile banking solutions, 409 pay-by-phone, 406 pension services, 406 point-of-sale transactions, 407 services offered by, 406-407, 407f smart cards, 407 trust services, 406 vs. U.S. banks, 415 chemical processes, 263 cheque kiting, 74, 404 chief executive officer (CEO), 103, 151 chief financial officer (CFO), 151 chief information officers, 314 chief operating officer (COO), 151 China, 117, 118 cigarette industry, 374 classical theory of motivation, 226 clerical processes, 263 client relationships, 234 client-server network, 311 cloud computing, 315 co-operative, 104-105 coaches, 240 code of ethics, 62, 64-65, 64f COLA clauses, 213 collateral, 95, 438 collective bargaining bargaining cycle, 212-213 bargaining zone, 213f benefits, 213 compensation, 213 contract issues, 213 defined, 210 failure of, 213-214 history of, 211 job security, 213 management rights, 213 management tactics, 214 mediation and arbitration, 214-215 other union issues, 213 reaching agreement, 212-213 union tactics, 214

collectivism, 241 collusion, 71 command economy, 7, 8 commercial paper, 439, 449-450 commercialization, 352 commitment fee, 438 committee and team authority, 179 commodities, 421-422 common law, 29 Common Market, 131 see also European Union (EU) common stock, 102, 296, 417, 440 common usage, 355 communication of corporate culture, 164 communism, 7 company productivity, 274 comparable worth, 207 comparative advantage, 118 comparison shopping, 386 compensation basic compensation, 203 collective bargaining, 213 defined, 203 incentive programs, 203-204 competition defined, 17 degrees of competition, 17-18 and exchange rates, 120-121 in market economy, 11 monopolistic competition, 17 monopoly, 18 oligopoly, 18 perfect competition, 17 and private enterprise, 17-18 Competition Act, 11, 11t, 18 competition policy, 11 competitive advantage, 93, 118-119 competitive espionage, 63 competitive forces, 248 competitive product analysis, 277 competitive strategy, 160, 161 compressed workweeks, 235 compulsory arbitration, 215 computer-aided design (CAD), 316 computer graphics, 313 computer network, 311-313 computer viruses, 318, 319 concentration strategy, 160-161 concept testing, 351 conceptual skills, 153 Conciliation Act, 211t conflict of interest, 63 conglomerate diversification, 161 conglomerate merger, 51 conscientiousness, 224 Constitution Act, 29, 211 consumer behaviour alternatives, evaluation of, 339 consumer buying process, 338-339, 338f

cultural influences, 338 defined, 337 influences on, 337-338 information seeking, 338 personal influences, 337 post-purchase evaluation, 339 problem/need recognition, 338 psychological influences, 337 purchase decision, 339 social influences, 337 understanding, 337-339 consumer buying process, 338-339, 338f, 358f consumer finance company, 412 consumer goods, 329 consumer marketing, 329 Consumer Packaging and Labelling Act, 356 consumer price index (CPI), 41, 56-57 consumer products, 349 consumer protection, 11-12 consumer rights, 70-71 consumerism, 70 consumers, interactions with, 262 contemporary social consciousness. 66-67 contingency approach to leadership, 238 contingency planning, 162-163 contingent workers, 209-210 contracts, 30 contractual VMS, 382 contributions, 225 control charts, 278 control systems, 106 controller, 290 controlling, 150, 150f controlling for quality, 276 convenience goods, 349 convenience services, 349 convenience stores, 383 convertible bonds, 420-421 convertible money supply, 404 copyrights, 356 core competencies, 48 core principles, 65 corporate bonds, 419-420, 439-440 corporate boundaries. See organizational boundary corporate charitable donations, 76 corporate culture, 145-147, 163-164 corporate-level strategy, 160, 161 corporate raiders, 21 corporate social responsibility (CSR) accommodative stance, 75 approaches, 75-77, 75f areas of social responsibility, 67-74 contemporary social consciousness, 66-67 corporate charitable donations, 76 customers, responsibility toward,

70 - 73

defensive stance, 75 defined, 66 employees, responsibility toward, 73-74 environmental responsibility, 67-70 implementation, 74-75 investors, responsibility toward, 74 management of social responsibility programs, 76-77 obstructionist stance, 75 proactive stance, 75-76 and the small business, 77-78 social audits, 76 triple bottom line reporting, 77 corporate sponsorships, 366 corporate VMS, 382 corporation advantages of incorporation, 104 board of directors, 102-103 common sock, 102 corporate name, 104 defined, 102 disadvantages of incorporation, 104 dividends, 102 financial corporations, 411-412 as form of business ownership, 102 - 104formation, 103-104 income trust, 103 parent corporation, 52 private corporation, 103 private equity firm, 103 public corporation, 103 stockholders, 102 subsidiary corporation, 52 sustainable corporations, 77 top managers, 103 top ten corporations in Canada, 102t types of, 103 Corruption of Foreign Public Officials Act. 129 Corruption Perceptions Index, 129 cost leadership, 161 cost of goods sold, 297 cost-of-living adjustment (COLA), 213 cost-oriented pricing, 375-376 costs fixed costs, 376 of purchase decision, 329 variable costs, 376 counterfeit brands, 72 counterfeiting, 403 counterproductive behaviours, 223 countervailing powers, 21 coupon rate, 423 coupons, 365 court system, 29 courteous service, 71 CPI. See consumer price index (CPI) credit card fraud, 404-405 credit cards, 404-405

credit default swaps, 402 credit policy, 436 credit unions, 96, 411 creditor nation, 40 creditors, 289 crisis management, 163 critical incident method, 202 cross-cultural leadership, 241 crowdsourcing, 259 cultural change, 146 cultural differences, 62, 126 cultural influences, 338 cultural receptiveness, 367 culture (national), 233, 241 culture surveys, 146 currency, 403-404 currency exchange, 406 current assets, 294 current liabilities, 296 current ratio, 298 customer departmentalization, 174-175 customer preferences and tastes, 45-46 customets, 66, 70-73, 123, 278-279 customization, 309 cybermalls, 387 cycle time, 45 cyclical unemployment, 41

#### D

damages, 30 data, 314 data mining, 315 data warehousing, 315 day traders, 425 debentures, 420 debit card, 407 debt. 298 debt financing, 95, 96, 439-440, 441-442, 442f debt-to-equity ratio, 299 debtor nation, 40 decentralized approach, 366 decentralized organization, 177-178 decertification, 214 decision-making hierarchy assignment of tasks, 176-177 distribution of authority, 177-178 forms of authority, 178-179 performing tasks, 177 decision-making skills, 154-156 decision support systems (DSSs), 316 decline stage, 353 deed, 31 defensive stance, 75 deficit, 119 deflation, 41, 56-57 degrees of competition, 17-18 delegation, 177 demand average demand, 266 defined, 14

demand and supply schedule, 14-15 human resources demand, 195-196 international demand, 122 law of demand, 14 market demand, and business success, 105 in market economy, 13-15, 15f peak demand, 266 demand and supply schedule, 14-15 demand curve, 15, 15f demand deposits, 404 democratic style, 238 demographic variables, 334-335, 334f department stores, 383 departmentalization, 174-175, 176f depreciation, 295 depression, 38 deregulation, 9, 408 Designated Public Office Holders (DPOHs), 13 detailed schedules, 271 developing countries, 116 development of human resources. 200-202 differentiation, 161 direct channel, 379 direct deposits and withdrawals, 406 direct mail, 360 direct-response retailing, 384-385 direct selling, 384 directors, 102-103 discharge, 30 discount, 379 discount brokerages, 409, 418 dissatisfied employees, 225 distribution brokers, 380 channel captain, 382 channel conflict, 381-382 channel leadership, 381-382 defined, 333 direct channel, 379 distribution channel, 379-380, 379f distribution mix, 379-382 distribution strategies, 381, 381f e-distribution opportunities, 386 exclusive distribution, 381, 381f of goods and services, 379-380 intensive distribution, 381, 381f intermediaries, 379 international distribution, 340 and marketing mix, 331, 333 in music business, 393-394 nondirect distribution, 380-381 physical distribution, 387-390 retail distribution, 379 retailers, 379, 382-387 sales agents, 380 selective distribution, 381, 381f small-business distribution, 341 vertical marketing systems (VMSs), 382

wholesale distribution, 380 wholesalers, 379, 382 distribution centres, 388 distribution channel, 379-380, 379f distribution mix, 379-382 distribution of authority, 177-178 disturbance handler, 148 diversification, 161 diversified product lines, 350 divestitures, 51 divestment, 161 dividends, 102 divisional structure, 179-180, 180t Doha Round, 130 donations, 76 double-entry accounting systems, 294 double taxation, 104 Dow Jones Industrial Average, 374, 424 downsizing, 178 drug testing, 73, 200 dumping, 129 dynamic pricing, 378

## E

e-agents, 385 e-brokers, 381, 382 e-business see also Internet e-distribution opportunities, 386 e-readers, 159 entrepreneurs, and Twitter, 98 ethics, 61 international branding, 355 new age product opportunities, 330 online and mobile banking solutions, 409 open source automobile manufacturing, 259 recruitment in social media era, 197 virtual goods, 14 e-cash, 407 e-catalogues, 385 e-commetce, 8, 116, 262, 307, 385 e-intermediaries, 385 e-mail, 318-319 e-readers, 159 e-tailing, 385 early behavioural theory, 227 early years, 18-20 earnings per share, 299 Economic Community of Central African States, 132 economic differences, 126-127 economic environment defined, 37 economic growth, 37-40 economic stability, 41-42 management of Canadian economy, 42-43 economic forces, 248 economic growth, 37-40

economic stability, 41-42 economic system command economy, 7, 8 defined, 5 factors of production, 5-6 market economies. See market economies mixed market economy, 9-10 types of economic systems, 6-10 effectiveness, 147 efficiency, 147 electronic conferencing, 311 electronic funds transfer (EFT), 406-407 electronic purses, 407 electronic retailing, 385 electronic storefronts, 387 embargo, 127 emerging markets, 117-118, 175 emissions trading, 422 emotional intelligence, 224-225, 238 emotional motives, 339 emotional quotient (EQ), 224-225 emotionality, 224 empathy, 224-225 employee behaviour counterproductive behaviours, 223 defined, 223 forms of, 223 organizational citizenship, 223 performance behaviours, 223 employee engagement, 230 employee health and safety, 207-208, 212 employee information systems, 196 employee-oriented, 238 employee-owned corporations, 51 employee stock ownership plans (ESOPs), 51 employees see also human resource management (HRM) behaviour of. See employee behaviout dissatisfied employees, 225 drug testing, 73 employment standards, 212 idea sharing, 233 individual differences, 223-225 iob satisfaction. 225 market value, determination of, 203 matching people and jobs, 225-226 organizational commitment, 225 performance appraisals, 201-202, 202f privacy, 73 recruiting, 196-197 responsibility toward, 73-74 safety, 207-208, 212 selection process, 197-200 as stakeholders, 66 tests, 199-200

as users of accounting information, 289 whistleblowers, 73-74, 141 employers' associations, 214 employment agencies, 196 Employment Equity Act of 1986, 206 employment insurance, 204 employment standards, 212 employment tests, 199-200 empowerment, 231-233 encryption system, 319 endorsement, 32 enterprise portals, 311 enterprise resource planning (ERP), 308 entrepreneur-opportunity fit, 97 entrepreneur-resources fit, 98 entrepreneurial era, 20 entrepreneurial process building the right team, 97 described, 92 fit between elements, 97-98 identification of opportunities, 92-95 in new venture context, 92f resources, accessing, 95-96 entrepreneurs defined, 6, 88 as factor of production, 6 intrapreneurs, 88 managers as, 148 mompreneurs, 91-92, 141 nascent entrepreneurs, 87 entrepreneurship, 88 the environment see also green business emissions trading, 422 environmental responsibility, 67-70 ISO 14000, 279 pollution, 68-70 environment of business economic environment, 37-43 emerging challenges and opportunities, 48-49 external environment, 37, 373 industry environment, 47-48 multiple organizational environments, 37 organizational boundaries, 37 political-legal environment, 45 socio-cultural environment, 45-47 technological environment, 43-45 environmental analysis, 160 Environmental Contaminants Act, 12 environmental protection, 12 Environmental Protection and Enhancement Act (Alberta), 69 environmental responsibility, 67-70 equal employment regulations. 205-206 equal wages for jobs of comparable value, 207 equilibrium price, 15 equipment companies, 96

equity financing, 95, 96, 440-441, 442, 442f equity (owner's), 293-294, 296 equity (stockholders), 417 equity theory, 229 escalation of commitment, 156 essential services, 13 esteem needs, 228 ethical behaviour, 61, 64 ethical compliance, 46-47 ethical funds, 421 ethical leadership, 241 ethics in advertising, 71-73 assessment of ethical behaviour, 64 business ethics, 61 code of ethics, 62, 64-65, 64f cultural differences, 62 defined, 60 ethical behaviour, 61, 64 ethical compliance, 46-47 ethics director or officer, 65 ethics management, 64-65 ethics programs, 65 individual ethics, 61-66 in Internet age, 61 managerial ethics, 62-64 responsible business behaviour, 46-47 social responsibility. See corporate social responsibility (CSR) ethics director or officer, 65 euro, 120 Europe, 116, 121 see also European Union (EU) European Union (EU), 68, 116, 120, 121, 129, 130, 131, 131f, 422 Eurozone, 120-121 evaluation of alternatives, 339 evaluation of employee performance, 201-202, 202f exchange rates, 120-121, 413, 413f exclusive distribution, 381, 381f executive search firms, 196 exit costs, 93 expectancy theory, 228-229, 229f expense items, 349 experimentation, 337 expert system, 317 exporter, 124 exports, 40, 115, 119f express contract, 30 express warranty, 31 external environment business environment, 47-49 defined, 37 economic environment, 37-43 industry environment, 47-48 political-legal environment, 45 socio-cultural environment, 45-47 technological environment, 43-45 external failures, 278

CollriseSma

external recruiting, 196-197 external staffing, 196 external supply, 195 extranets, 311 extraversion, 224 extroverts, 224

### F

fabrication processes, 263 factor, 411 factoring accounts receivable, 438 factoring company, 411 factors of production, 5-6, 5f, 7, 8 factory outlets, 383 factory system, 19-20 failed products, 351 failure, 106, 106t fair employment practices, 212 family business, 99, 110-111 federal government, 42-43 federal labour legislation, 211-212 figurehead, 148 finance, 435 finance companies, 96 finance era, 21 financial accounting system, 290 financial assistance, 12-13 financial control, 436 financial corporations, 411-412 financial crisis, 38, 433-435 financial disclosure, 63 financial forecasts, 93 financial information services, 423-424 financial institutions alternate banks, 411 changes affecting, 405 chartered banks, 405-411 debt financing, source of, 96 "four financial pillars," 405 government financial institutions, 412 investment dealers, 412 specialized lending and savings intermediaries, 411-412 types of, 405 financial management financing. See financing small businesses, 443-445 financial managets, 152, 435-436 financial manipulation, 21 financial mismanagement, 74 financial misrepresentation, 74 financial plan, 436 financial resources, 95-96 financial scandals, 291, 303-305 financial statements activity ratios, 299-300 analysis of, 298-301 balance sheets, 294-296, 294f budget, 298 defined, 294

income statements, 296-297, 296f profit-and-loss statement, 296-297, 296f profitability ratios, 299 solvency ratios, 298-299 statement of cash flows, 297-298 financial viability, 93 financing funds, need for, 436-437 long-term funds, sources of, 439-443 risk-return relationship, 442-443, 443f short-term funds, sources of, 437-439 finished goods inventory, 437 firewalls, 319 first-line managers, 151, 152 fiscal policies, 42 fishbone diagrams, 275, 275f Fisheries Act, 12 five forces model, 47-48, 47f fixed assets, 295 fixed costs, 376 fixed pricing, 378 flexible manufacturing system (FMS), 269 flextime, 235, 235f focus groups, 337 focus strategy, 161 follow-up, 271 Food and Drug Act, 12 forecasting HR demand and supply, 195-196 forecasts, 266 foreign buyouts, 125 foreign direct investment (FDI), 125 Foreign Investment Review Agency, 125 foreign stock exchanges, 418 forensic accountants, 291 form utility, 260 forms of authority, 178-179 forms of business ownership co-operative, 104-105 comparison of, 105t corporation, 102-104 partnership, 101-102 sole proprietorship, 101 four-day workweek, 236 four Ps of marketing, 331 franchise, 94, 99-100, 100t, 125 franchising agreement, 99 fraud detection, 291 free market economy, 8-9 free-rein style, 238 free trade agreements, 127, 131-132, 132f freedom of choice, 17 frictional unemployment, 41 friendly takeover, 51 full-service brokers, 417 functional departmentalization, 174 functional strategies, 160, 161 functional structure, 179, 179t funding. See financing futures contracts, 421

#### G

gainsharing plans, 204 GDP per capita, 39 gender, and leadership, 240 General Agreement on Tariffs and Trade (GATT), 130 general expenses, 297 general partners, 101 general partnership, 101 generally accepted accounting principles (GAAP), 291 generic brands, 354 Genuine Progress Indicator (GPI), 39 geographic departmentalization, 175 geographic expansion, 161 geographic variables, 334 global business see also international trade adapting to customer needs, 123 balance of payments, 119-120 balance of trade, 119, 120 barriers to international trade. 126-132 BRIC, 117-118 competitive advantage, 118-119 contemporary global economy, 115-117 e-business, and international branding, 355 emerging markets, 117-118 empowerment, 231 Europe, 116 exchange rates, 120-121 geographic clusters, 116-117 going international," 122-123 international banking. See international banking and finance international business management, 121-125 international demand, 122 international law, 33 international marketing mix, 48-49 international organizational structures, 124-125, 181-182, 182f international promotion, 340, 366-367 involvement levels, 124 low-income countries, 116 low middle-income countries, 116 major world marketplaces, 116-117 North America, 116 Pacific Asia, 117 productivity among global competitors, 274, 274f upper middle-income countries, 116 global competitiveness ranking, 119 global economy, 115-117 global era, 21-22 global GAAP, 291

Global Leadership and Organizational Behavior Effectiveness study, 241 global perspective, 366 global warming, 68-69 globalization, 115, 116, 233 goal setting, 157-158 goal-setting theory, 230-231 goals, 157, 158, 231 going private, 103 goods capacity planning, 266 classification of, 349-350 consumer goods, 329 convenience goods, 349 distribution of, 379-380 goods-producing processes, 263 goods production, 259 industrial goods, 329 layout planning, 267-269, 267f location planning, 266 marketing of, 329 methods improvement, 269 scheduling, 270-271 shopping goods, 349 specialty goods, 349 tangible goods, 329 goods-producing processes, 263 goods production, 259 goodwill, 296 government business, influence of, 13 business, influence on, 10-13 competition, promotion of, 11 as competitor, 10 consumer protection, 11-12 as customer, 10 environmental protection, 12 essential services, provider of, 13 financial assistance, 12-13 government-business interactions, 10 - 13incentives, provider of, 12-13 management of Canadian economy, 42-43 as regulator, 10 social goals, 12 as taxation agent, 12 government agencies, 96 government bonds, 419 government financial institutions and granting agencies, 412 government-operated enterprises, 8 government regulatory agencies, 289 granting agencies, 412 grapevine, 185 graphic rating scale, 202 Great Depression, 21, 38, 66, 78, 434 Greece, 121 green business accounting, 289 bag controversy, 383

emissions trading, 422 four-day workweek, 236 green business image, 357 green goals, 158 green recruiting, 196 green structures, 183 Green World Solutions, 332 hydrogen fuel cell, 43 Mountain Equipment Co-op (MEC), 67 small businesses, 90 telecommuting, 236 Walmart, 271 greenhouse emissions, 68 gross domestic product (GDP), 38-40 gross margin, 297 gross national product, 39 gross profit, 297 group-based training, 201 group incentives, 204 group leader, 151 groupwate, 314 growth, and specialization, 173-174 growth stage, 352 growth strategy, 161 guerilla advertising, 72-73 Gulf Cooperation Council, 132 Gulf of Mexico oil spill. See BP oil spill

## H

hackers, 317 harassment, 207, 223 hard-core unemployed, 73 hardware, 313 Hawthorne effect, 227 Hazardous Products Act, 11 health insurance, 204 hedge funds, 421 hierarchy of human needs model, 227-228, 227f high-contact processes, 264 high-contact system, 264 high-income countries, 116 high prices, 16 high-tech bubble burst, 38 history of business in Canada early years, 18-20 entrepreneurial era, 20 factory system, 19-20 finance era, 21 global era, 21-22 important dates, 19t Internet era, 22 marketing era, 21 production era, 20-21 sales era, 21 holidays, 212 Hong Kong, 117 horizontal integration, 161 horizontal merger, 51 hostile takeover, 51

hostile work environment, 207 hours, 212 HRM. See human resource management (HRM) human capital investments, 209 human relations skills, 153 human resource management (HRM) see also employees benefits, 204-205 comparable worth, 207 compensation, 202-204 contingent workers, 209-210 defined, 194 development of human resources, 200-202 employee health and safety, 207-208 equal employment opportunity, 205-206 evaluation of employee performance, 201-202, 202f forecasting HR demand and supply, 195-196 foundations of, 194-196 green recruiting, 196 human resource planning, 195-196 incentive programs, 203-204 job analysis, 195 knowledge workers, 209 legal context of HRM, 205-208 matching HR supply and demand, 196 new challenges, 208-210 organized labour. See labour unions recruiting, 196-197 replacement charts, 195 retirement, 208 selection, 197-200 sexual harassment, 207 skills inventories, 196 staffing the organization, 196-200 strategic importance of, 194-195 training and development, 201 workforce diversity, 208-209 human resource managers, 151 human resource planning, 195-196 human resources, 5 human-resources model of motivation, 227 hunch, 156 hybrid financing, 441 hydrogen fuel cell, 43 hygiene factors, 228, 228f hypertext transfer protocol (HTTP), 311

## I

idea generation, 92–93 idea sharing, 233 ideas marketing, 329 identification of products, 353–356 identity theft, 317–318, 319 image differences, 367 implied contract, 30

implied warranty, 31 importer, 124 imports, 40, 115, 119f incentive programs, 203-204 incentives government incentives, 12-13 incentive programs, 203-204 purchasing incentives, 365 income net income, 297 operating income, 297 before taxes, 297 income statement, 93 income statements, 296-297, 296f Income Tax Act. 29 income trust, 103 incubators, 96, 96t independent agent, 124 India, 117-118 individual differences attitudes, 225 defined, 223 emotional intelligence, 224-225 personality, 224, 224f individual ethics, 61-66 individual incentives, 204 individual values, 62 individualism, 241 Indonesia, 117 inducements, 225 Industrial Disputes Investigation Act. 211t industrial goods, 329 industrial marketing, 329 industrial products, 349-350 Industrial Revolution, 19-20 industry environment, 47-48 industry productivity, 274 inflation, 39, 41, 56-57 informal groups, 184-185 informal organization, 184-185 information, 314 information age, 209 information managers, 152 information resources, 6 information seeking, 338 information system (IS), 314-317 information systems managers, 314 information technology (IT) business resources, 310-313 data mining, 315 data warehousing, 315 impact of, 306 information system (IS), 314-317 networks, 311-313 protection measures, 319-320 remote access, 307-310 risks and threats, 317-319 initial public offering, 103 innovative products, 94 input market, 8-9

inside directors, 103 insider trading, 74, 426, 430-431 insolvent person (or company), 32 intangible assets, 296 intangible services, 262 integration strategy, 161 intellectual property, 318, 355-356 intensive distribution, 381, 381f intentional tort, 31 interactive marketing, 387 interest, and bonds, 420 interest rates, 439 Intergovernmental Panel on Climate Change, 68 intermediaries, 379 intermediate goals, 157 intermodal transportation, 389 internal failures, 278 internal recruiting, 196, 197 internal staffing, 196 internal supply, 195 international accounting standards, 291 international bank structure, 413 international banking and finance changes in, 410 exchange rates and international trade, 413, 413f international bank structure, 413 International Monetary Fund (IMF), 415 international payments process, 413, 413f law of one price, 413 World Bank, 415 international business. See global business international competitiveness, 119 international demand, 122 international distribution, 340 International Financial Reporting Standards (IFRS), 291 international firm, 124 international law, 33 international marketing mix, 48-49 International Monetary Fund (IMF), 56, 121, 402, 415 international organizational structures, 124-125, 181-182, 182f international payments process, 413, 413f international prices, 339-340 international products, 339 international promotion, 340, 366-367 international sources of funds, 412 international trade see also global business barriers, 126-132 described, 115 and exchange rates, 413, 413f Internet see also e-business advertising, 361

communication resources, 310-311 comparison shopping, 386 cybermalls, 387 defined, 311 e-agents, 385 e-brokets, 381, 382 e-catalogues, 385 e-commerce, 8, 262, 307, 385 e-intermediaries, 385 e-tailing, 385 electronic storefronts, 387 employees' market value, 203 enterprise portals, 311 extranets, 311 hypertext transfer protocol (HTTP), 311 impact of, 22 Internet2, 311 Internet-based stores, 385 Internet era, 22 Internet marketing, 307 intranets, 311 online trading, 418 physical distribution for e-customers, 389 post office protocol (POP), 311 resources for new ventures, 97 simple message transfer protocol (SMTP), 311 usage, 306 virtual storefronts, 387 wikis, 232 Internet2, 311 Internet-based stores, 385 internships, 197 interviews, 200 intraday trades, 425 intranets, 311 intrapreneurs, 88 introduction stage, 352 introverts, 224 intuition, 156 inventory, 300, 437, 438 inventory control, 271 inventory turnover ratio, 300 investment bankers, 415-416 Investment Canada, 125 investment dealers, 412 investment reduction, 161 investments see also securities bonds. See bonds commodities, 421-422 hedge funds, 421 mutual funds, 421 stock options, 422-423 stocks. See stocks investor relations, 417 investors, 66, 74, 289, 374 Ireland, 121 Ishikawa diagrams, 275, 275f

ISO 9000, 279 ISO 9000:2000, 279 ISO 14000, 279 Italy, 121

#### J

Japan, 117 jeitinbo, 62 job analysis, 195 job commitment, 225 iob description, 195 job enrichment, 234 job evaluation, 203 job fair, 197 job redesign, 234 job rotation, 201 job satisfaction, 225 job security, 213 job sharing, 237 iob shops, 267 job specialization, 173-174 job specification, 195 just-in-time (JIT) production systems, 272-273

#### K

Key Small Business Statistics, 87 knowledge information systems, 316 knowledge workers, 209 Kyoto Summit, 68

#### L

labels, 356 labour, 5 Labour Force Survey, 87 labour markets, and knowledge workers, 209 labour productivity, 273 labour shortage, 42 labour unions Canada Labour Code, 211-212 collective bargaining, 210, 211, 212-215 dealing with organized labour, 210-211 decertification, 214 defined, 210 federal labour legislation, 211-212 future of unions, 211 historical steps for labour legislation, 211t legal environment, 211-212 management tactics, 214 provincial labour legislation, 212 union hiring halls, 196 union-management relations, 210 union tactics, 214 unionism today, 210 as users of accounting information, 289 laissez-faire, 20 land pollution, 69-70

language barriers, 126 language differences, 366 law administrative law, 29 business law. See business law common law, 29 court system, 29 defined, 29 international law, 33 sources of law, 29 statutory law, 29 law of demand, 14 law of one price, 413 law of supply, 14 layout planning, 267-269, 267f leadership approaches to, 237-238 behavioural approach, 238 Canadian vs. American management styles, 241 channel leadership, 381-382 charismatic leadership, 239-240, 239f coaches, leaders as, 240 continuum, 239f cross-cultural leadership, 241 defined, 237 and effective organizations, 237 employee-oriented, 238 ethical leadership, 241 and gender, 240 leadership styles, 238 managers and, 148 and motivation, 237-242 quality, leading for, 276 recent trends, 239-242 situational (contingency) approach, 238 strategic leadership, 241 task-oriented, 238 trait approach, 238 transactional leadership, 239 transformational leadership, 239 virtual leadership, 241-242 leading, 149 lean manufacturing, 267 learning organization, 184 lease, 31 legal context of HRM comparable worth, 207 employee health and safety, 207 - 208equal employment opportunity, 205-206 retirement, 208 sexual harassment, 207 legal differences, 127-129 legislation anti-combines legislation, 20 anti-discrimination laws, 205-206 blue-sky laws, 426

blue-sky laws, 426 consumer protection legislation, 11-12 corporations, influence of, 13

employee health and safety, 207-208 environmental protection legislation, 12 equal employment regulations, 205-206 labour unions, 211-212, 211t securities regulation, 425-426 sexual harassment, 207 letter of credit, 406 leverage, 299 leveraged buyouts, 299 leveraging, 421 liabilities, 293, 296 liaison, 148 licensed brands, 354 licensing attangements, 124-125 life insurance company, 411 limit order, 425 limited liability, 104 limited partners, 101 limited partnership, 101 line authority, 178-179, 178f line departments, 178 line of credit, 438, 443 liquidation plan, 32 liquidity, 294 load funds, 421 Lobbying Act, 13 lobbvist, 13 local area networks (LANs), 312 local communities 66 local-content laws, 128-129 location planning, 266-267 lockout, 214 London stock exchange, 418 long-term (capital) expenditures, 437 long-term funds, 439-443 long-term goals, 157 long-term liabilities, 296 long-term loans, 439 long-term solvency ratios, 298-299 love money, 95 low-contact processes, 264 low-contact system, 264 low-income countries, 116 low middle-income countries, 116 luck, 106

#### M

M-1, 403-404 M-2, 404 magazines, 360 mail order, 385 make-to-order, 262 make-to-stock, 262 Malaysia, 117 Malcolm Baldrige National Quality Award, 278 management *see also* managers areas of management, 151-152

Canadian vs. American management styles, 241 contingency planning, 162-163 controlling, 150, 150f and corporate culture, 163-164 crisis management, 163 defined, 147 effectiveness, 147 efficiency, 147 leading, 149 levels of, 150-151, 150f, 151f management process, 147-150 organizing, 149 planning, 147-149 rights, and collective bargaining, 213 skills, 152-156 strategic management, 156-162 tactics, during collective bargaining, 214 union-management relations, 210 management accounting, 290 management by objectives, 231 management development programs, 201 management information systems (MISs), 316 management skills combinations of, 153f conceptual skills, 153 decision-making skills, 154-156 human relations skills, 153 technical skills, 152 time management skills, 153-154 managerial capitalism, 66 managerial competence, 106 managerial ethics, 62-64 managerial (management) accounting, 290 managers see also management decision-making roles, 148 financial managers, 152, 435-436 first-line managers, 151, 152 human resource managers, 151 information managers, 152 information systems for, 316 information systems managers, 314 informational roles, 148 interpersonal roles, 148 marketing managers, 152, 331 middle managers, 151 operations managers, 152 production managers, 260 roles of, 148 specialized managers, 152 top managers, 151 types of, 150-152 as users of accounting information, 289 mandated protection plans, 204 mandatory retirement, 208 manufacturing productivity, 274 manufacturing resource planning, 273

margin, 422, 425 margin trading, 425 market bear markets, 424 bull markets, 424 capital market, 412 defined, 8 in economic terms, 14 as exchange process, 14 input market, 8-9 output market, 8-9 over-the-counter (OTC) market, 418 securities markets, 415-416 speed to market, 351 stock exchanges, 417-418 market capitalization, 417 market demand, 105 market economies in Canada, 13-16 circular flow in, 15f defined. 7 demand and supply, 13-15, 15f demand and supply curves, 15, 15f demand and supply schedule, 14-15 generally, 8 input and output markets, 8-9 private enterprise, 17-18 shortage, 16-17 surplus, 16-17 market indexes, 424 market order, 425 market penetration, 161 market price, 15 market research defined, 336 research method, 336, 337 research process, 336 market segmentation, 333-336 market share, 375 market value, 417 marketable securities, 295 marketing ambush marketing, 366 buzz marketing, 339 catalogue marketing, 385 consumer behaviour, 337-339 consumer marketing, 329 defined, 329 of goods, 329 of ideas, 329 industrial marketing, 329 interactive marketing, 387 Internet marketing, 307 market research, 336-337 market segmentation, 333-336 marketing mix. See marketing mix multicultural marketing, 334-335 relationship marketing, 331 service marketing, 329 of services, 329

target marketing, 333-336 test marketing, 352 value, 329 video marketing, 387 word of mouth marketing, 339, 347-348 marketing concept, 329 marketing era, 21 marketing managers, 152, 331 marketing mix choosing, 331f defined, 331 four Ps of marketing, 331 international marketing mix, 48-49 place, 333 price, 332-333 product, 331-332 promotion, 333 and small business, 340-341 marketing plan, 331 Maslow's hierarchy of human needs model, 227-228, 227f mass collaboration, 233 mass-customization, 309, 309f, 332 mass production, 20 master production schedule, 270 matching HR supply and demand, 196 matching principle, 297 matching threats and opportunities, 160 material requirements planning (MRP), 273-387 materials management, 271 matrix organization, 181, 181f maturity stage, 353 media mix, 362 mediation, 214-215 medium of exchange, 403 men, and cars, 376 mentoring, 201 mercantilism, 19 merchandise inventory, 295 merchant wholesalers, 382 Mercosur, 131-132 merger, 49-51 methods improvement, 269-270 methods planning, 269-270 Mexico, 116, 131 middle managets, 151 Migratory Birds Act, 69 misrepresentation of finances, 74 mission, 172 mission statement, 157 mixed market economy, 9-10 modified work schedules, 234-236 mompreneurs, 91-92, 141 monetary policies, 42, 410f money characteristics of money, 402-403 credit cards, 404-405

money (continued) currency, 403-404 defined, 402 divisibility, 403 durability, 403 functions of, 403 M-1. 403-404 M-2, 404 as medium of exchange, 403 money supply, 403-404, 407-408, 408f, 410 portability, 403 as store of value, 403 as unit of account, 403 money market mutual funds, 404 money substitute, 404 monitor, 148 monopolistic competition, 17 monopoly, 18 morale, 225 morally objectionable advertising, 73 motivating factors, 228, 228f motivation defined, 226 emotional motives, 339 goal-setting theory, 230-231 job enrichment, 234 job redesign, 234 and leadership, 237-242 modified work schedules, 234-236 participative management and empowerment, 231-233 rational motives, 339 reinforcement/behaviour modification, 229-230 strategies for enhancing motivation, 229-237 team management, 233-234 motivation theories classical theory, 226 contemporary motivation theory, 228-229 early behavioural theory, 227 and emotional intelligence, 224 equity theory, 229 expectancy theory, 228-229, 229f Hawthorne effect, 227 hierarchy of human needs model, 227-228, 227f human-resources model, 227 Theory X, 227 Theory Y, 227 two-factor theory, 228, 228f movable factory, 269 MRP II, 273 multicultural marketing, 334-335 multinational firms, 70, 116, 124 multiple organizational environments, 37 multiple product lines, 350

municipal tax rebates, 13 mutual funds, 421

#### N

NAFTA. See North American Free Trade Agreement (NAFTA) narrow span of control, 178 nascent entrepreneurs, 87 NASDAQ Composite Index, 424 National Association of Securities Dealers Automated Ouotation (NASDAQ), 418, 424, 427 national brands, 354 national competitive advantage, 118-119 national debt. 40 nationalization, 9 natural monopolies, 18 natural resources, 6 natural workgroups, 234 needs, and motivation, 227-228, 227f negative feedback, 202 neglect, 106 negligence, 31 negotiable instruments, 31-32 negotiator, 148 net earnings, 297 net income, 297 net profit, 297 networking, 201 networks, 311-313 new product development product mortality rates, 351 risk of, 350 seven-step development process, 351-352, 352f speed to market, 351 time frame of, 350-351 new products, 378 new venture defined, 87-88 entrepreneurial process, 92f mompreneuts, 91-92 role in Canadian economy, 89-90 New York Stock Exchange (NYSE), 418, 418f newspapers, 359 no-load funds, 421 non-productive facilities, 267 nondirect distribution, 380-381 nonstore retailing, 383-385 normal curve, 202 North America, 116 North American Free Trade Agreement (NAFTA), 127, 131 Northwest Territories, 89 not-for-profit organizations, 5

## 0

observation, 336-337 obstructionist stance, 75 Occupational Health and Safety Act (Ontario), 208 odd-even pricing, 378 odd lots, 425 off-the-job training, 201 office managers, 151 oil spill, 10 on-the-job training, 201 one-of-a-kind products, 267 online trading, 418 open-book credit, 437 open source automobile manufacturing, 259 opening cases see also business cases Air Canada's Challenging Environment, 35-36 Are More Cracks Appearing in the Glass Ceiling, 193-194 Buyers and Sellers Jockey for Position, 373-374 corporate culture, 145-147 financial crisis, 433-435 Iululemon: A Clear Marketing Strategy, Even in Trying Times, 327-328 Money, Money, Money, 401-402 Opportunities and Challenges in the Mobile Phone Market, 3-4 Parasuco Jeans: The Story of a Born Entrepreneur, 85-86 Psst! Did You Hear the Latest?, 347-348 Reorganizing the Irving Empire, 171-172 Tim Hortons USA, 113-114 Too Many Recalls, 257-258 What Do Employees Want?, 221-222 What Really Happened at Livent?, 59-60 What's the Latest on Pension Accounting?, 287-288 openness, 224 operating expenses, 297, 436-437 operating income, 297 operational plans, 149 operations capability, 265, 265t operations control defined, 271 materials management, 271 production process control, 271-280 quality control, 273 operations management business strategy as driver of operations, 264-265, 264f defined, 260 manufacturing operations, 260-262 operations capability, 265, 265t operations control, 271-273 operations planning, 265-270 operations processes, 262-265

operations scheduling, 270-271 service operations, 259, 260-262 operations managers, 152 operations planning capacity planning, 266 and control, 265f layout planning, 267-269, 267f location planning, 266-267 methods planning, 269-270 quality planning, 269 operations processes defined, 262 goods-producing processes, 263 high-contact processes, 264 low-contact processes, 264 service-producing processes, 263-264 operations scheduling, 270-271 opportunities, 92-95, 160 opportunity-resources fit, 98 optional protection plans, 204 order fulfillment, 389 organization charts, 172, 173f organizational analysis, 160 organizational boundary, 37, 49-52 organizational citizenship, 223 organizational commitment, 225 organizational grapevine, 185 organizational politics, 156 organizational stakeholders, 66 organizational structure appropriate structure, 172 basic organizational structures, 179-183 boundaryless organization, 182-183 building blocks of, 173-175 centralized organization, 177 chain of command, 172-173 changing, 172 decentralized organization, 177-178 decision-making hierarchy, 176-179 defined, 172 determinants of, 172-173 divisional structure, 179-180, 180t downsizing, 178 functional structure, 179, 179t green structures, 183 informal organization, 184-185 international organizational structures, 124-125, 181-182, 182f learning organization, 184 matrix organization, 181, 181f organizational design for twenty-first century, 182-184 project organization, 180-181 specialization, 173-175 team organization, 183 virtual organization, 183-184, 184f organizational values, 65, 65f organized labour. See labour unions organizing, 149 organizing for quality, 276

outdoor advertising, 360 outdoor training exercises, 201 output market, 8–9 outside directors, 103 outsourcing, 48 over-the-counter (OTC) market, 418 overseers, 240 owner's equity, 293–294, 296 ownership (possession) utility, 260

#### P

Pacific Asia, 117, 132 packaging, 356 paid-in capital, 296 paid time off, 205 paid vacations, 205 Panel Study of Entrepreneurial Dynamics (PSED), 87 par value, 417 parent corporation, 52 participative management and empowerment, 231-233 partnership, 101-102 patent, 356 pay-by-phone, 406 pay-for-knowledge plans, 204 pay for performance, 204 pay surveys, 203 peak demand, 266 peak oil, 26-27 penetration pricing, 378 pension accounting, 287-288 pension fund, 412 pension services, 406 pet-capita income, 116 perfect competition, 17 performance appraisal methods, 202, 202f performance appraisals, 201-202, 202f performance behaviours, 223 performance of tasks, 177 performance quality, 276 performance rating scale, 202f performance ratios, 299 perks. See benefits person-job fit, 225-226 Personal Assistant Teller (PAT), 406 personal influences, 337 Personal Information Protection and Electronic Documents Act (PIPEDA), 318 personal property, 31 personal savings, 95 personal selling, 363-364 personality, 224, 224f pharming, 318 the Philippines, 117 phishing, 318 physical distribution defined, 387 e-customets, 389

as marketing strategy, 389-390 order fulfillment, 389 transportation operations, 388-389 warehousing operations, 388 physical examination, 200 physiological needs, 228 picketing, 214 piece-rate incentive plan, 204 pipelines, 374 place. See distribution place utility, 259 planes, 388 planning capacity planning, 266 contingency planning, 162-163 human resource planning, 195-196 location planning, 266-267 management and, 147-149 operations planning, 265-270 for quality, 276 plastic bags, 383 pledging accounts receivable, 438 point-of-purchase (POP) displays, 365 point-of-sale transactions, 407 poison pill, 51 political differences, 127-129 political-legal environment, 45 political-legal forces, 248 political stability, 45 pollution, 68-70 Ponzi Schemes, 430 portable offices, 307-310 Porter's five forces model, 47-48, 47f Portugal, 121 positive reinforcement, 230 possession utility, 260 post office protocol (POP), 311 post-purchase evaluation, 339 preferred stock, 417, 441 premiums, 365 prepaid expenses, 295 president, 151 price call price, 417, 420 current prices, 40 defined, 332 equilibrium price, 15 global food prices, 16 high prices, 16 international prices, 339-340 market price, 15 and marketing mix, 331, 332-333 points, 378 purchasing power parity, 40 rate of price increases in Canada, 41f strike price, 423 price fixing, 71 price gouging, 63, 71 price lining, 378 price-setting tools, 375-377 price skimming, 378

pricing see also price break-even analysis, 376-377, 377f broker, 385 in cigarette industry, 374 cost-oriented pricing, 375-376 defined, 374 discount, 379 existing products, 377 fixed vs. dynamic pricing, 378 new products, 378 odd-even pricing, 378 penetration pricing, 378 price lining, 378 price-setting tools, 375-377 price skimming, 378 pricing objectives, 374-375 pricing strategies, 377-378 pricing tactics, 378-379 psychological pricing, 378 small-business pricing, 341 unfair pricing, 71 pricing objectives, 374-375 pricing strategies, 377-378 pricing tactics, 378-379 primary data, 336 primary securities markets, 415 prime rate of interest, 407 principal-protected notes, 421 Principles of Scientific Management (Taylor), 226 privacy, 73, 324 private accountants, 292-293 private brands, 354 private corporation, 103 private employment agencies, 196 private enterprise, 17-18 private equity firm, 103 private investors, 95 private placements, 415 private property, 17 private sector, 89 private warehouses, 388 privatization, 9 proactive stance, 75-76 problem/need recognition, 338 problem-solving teams, 233 process, 49 process departmentalization, 175 process flow chart, 269, 270, 270f process layouts, 267 process variation, 277-278, 278f product branding, 353-355 classification of, 349-350 consumer products, 349 copyrights, 356 defined, 331 described, 348-350 existing products, 377 failed products, 351

features and benefits, 348-349 ideas, 351 identification of, 353-356 industrial products, 349-350 innovative products, 94 international products, 339 labelling, 356 and marketing mix, 331, 332 mass-customization, 332 mortality rates, 351 new product development, 350-352, 352f new products, 378 one-of-a-kind products, 267 packaging, 356 patent, 356 product life cycle (PLC), 352-353, 352f product mix, 350 promotion. See promotion small-business products, 340-341 trademarks, 355 variations, 366 world product mandating, 125 product departmentalization, 175-176 product development, 161 product differentiation, 331 product layout, 267 product liability, 31 product life cycle (PLC), 352-353, 352f product line, 350 product line retailers, 383 product mix, 350 product positioning, 335, 335f product technologies, 43-45 product testing, 352 product-use variables, 335 production goods production, 259 mass production, 20 meaning of, 259 services, inclusion of, 259 and utility, 259-260, 262 value creation, 259-260 production capability, 265, 265t production era, 20-21 production management. See operations management production managers, 260 production process control, 271-280 productive facilities, 267 productivity company productivity, 274 defined, 40 domestic productivity, 274 and economic growth, 40 global competitors, 274, 274f industry productivity, 274 labour productivity, 273 manufacturing productivity, 274 measurement of, 273-274 productivity challenge, 273-274

productivity-quality connection, 273 - 274service productivity, 274 productivity-quality connection, 273-274 profit defined, 5 gross profit, 297 maximization of, 374-375 net profit, 297 and private enterprise, 17 profit-and-loss statement, 296-297, 296f profit centre, 174 profit-sharing plans, 204 profitability ratios, 299 progressive revenue taxes, 12 project organization, 180-181 project teams, 233 promissory notes, 437 promotion advertising promotions, 358-363 defined, 333 international promotion, 340, 366-367 and marketing mix, 331, 333 personal selling promotions, 363-364 of products, 357-358 promotional mix, 358-358f promotional strategies, 357-358 public relations, 365 publicity, 365-366 pull strategy, 358 push strategy, 358 sales promotions, 364-365 of services, 357-358 small-business promotion, 341 promotional mix, 358-358f promotional strategies, 357-358 promotions (staff), 196 property, 31 property law, 31 prospectus, 426 protection plans, 204 protectionism, 128 protectionist tariffs, 127 prototype development, 352 provincial labour legislation, 212 psychographic variables, 335 psychological contracts, 225, 225f psychological influences, 337 psychological pricing, 378 public corporation, 103 public relations, 365 public warehouses, 388 publicity, 365-366 pull strategy, 358 purchase decision, 339 purchase of existing business, 99 purchasing, 271 purchasing incentives, 365 purchasing power parity, 40

pure R&D, 43 pure risk, 445 purpose, 157, 172 push strategy, 358 put option, 422

#### Q

quality awards, 278 controlling for quality, 276 defined, 273 leading for quality, 276 organizing for quality, 276 performance quality, 276 planning for quality, 276 productivity-quality connection, 273-274 quality assurance tools, 276-280 quality challenge, 275-280 quality circle, 233 quality control, 273 quality ownership, 276 quality planning, 269 quality reliability, 276 in service businesses, 284-285 service quality considerations, 262 total quality management (TQM), 275-276 quality assurance tools benchmarking, 278 business process re-engineering, 279 competitive product analysis, 277 control charts, 278 customets, 278-279 ISO 9000:2000, 279 ISO 14000, 279 process variation, 277-278, 278f quality/cost studies, 278 quality improvement (QI) teams, 278 statistical process control (SPC), 277 supply chain management (SCM), 280 supply chains, 279-280, 280f value-added analysis, 277 quality circle, 233 quality control, 273 quality control department, 276 quality/cost studies, 278 quality improvement (QI) teams, 278 quality ownership, 276 quality planning, 269 quality reliability, 276 quantity discounts, 379 questionnaire, 337 quid pro quo harassment, 207 quotas, 127

#### R

racial harassment, 223 railroads, 389

CourseSmart

rational decision-making process, 154-156, 154f rational motives, 339 ratios activity ratios, 299-300 current ratio, 298 debt-to-equity ratio, 299 earnings per share, 299 inventory turnover ratio, 300 long-term solvency ratios, 298-299 performance ratios, 299 profitability ratios, 299 return on equity, 299 return on sales, 299 shareholder return ratios, 299 short-term solvency ratios, 298 solvency ratios, 298-299 raw materials inventory, 437 re-engineering, 279 real GDP, 39 real growth rates, 39 real property, 31 recalls, 257-258 recession, 38, 67 recruiting, 196-197 recycling, 70 rediscount rate, 410 redrawing corporate boundaries, 49-52 reference checks, 200 referrals, 196 registered bonds, 420 registrar, 411 regressive revenue taxes, 12 regulations, 10 reinforcement, 229-230 related diversification, 161 relationship marketing, 331 remote access, 307-310 reorganization, 32 repayment plan, 32 repetitive strain injuries (RSIs), 208 replacement charts, 195 resale price management, 11 research, market. See market research research and development (R&D), 43 research method, 336, 337 reserve requirement, 407 resource allocator, 148 resources, 95-96 responsibility, 177 responsible business behaviour, 46-47 restrictive taxes, 12 retail distribution, 379 retailers see also retailing bargain retailers, 383 convenience stores, 383 defined, 379 product line retailers, 383

types of retail outlets, 383

retailing see also retailers cybermalls, 387 direct-response retailing, 384-385 e-catalogues, 385 electronic retailing, 385 electronic storefronts, 387 interactive marketing, 387 Internet-based stores, 385 nonstore retailing, 383-385 retail outlets, 383 shopping agents, 385 syndicated selling, 385 video marketing, 387 retained earnings, 290, 440-441 retirement, 208 retrenchment, 161 return on equity, 299 return on sales, 299 revenue recognition, 296 revenue tariff, 127 revenue taxes, 12 revenues, 296 revolving credit agreement, 438 rights of others, 64 risk coping with, 445-446 defined, 445 pure risk, 445 speculative risks, 445 risk management, 445-446 risk propensity, 156 risk-return relationship, 442-443, 443f rivalty, 48 round lot, 425 royalties, 124 Russia, 117-118

#### S

sabbaticals, 205 sabotage, 223 safe products, 71 safety of employees, 207-208, 212 salaty, 203 sales agents, 380 sales era, 21 sales finance company, 411 sales forecast, 93 sales promotions, 364-365 S&P 500 Index, 424 S&P Composite Index, 424 S&P Financial Index, 417 S&P/TSX index, 424 Sarbanes-Oxley Act, 305 scheduling, 270-271 scientific management, 226 Scientific Management Movement, 20 screening, 93, 351 seasonal unemployment, 41

Second World War, 21, 130, 275 secondary data, 336 secondary securities markets, 416 secured bonds, 420 secured loan, 407, 438 securities see also investments blue-sky laws, 426 bonds. See bonds buying and selling, 423-425 defined, 415 financing securities purchases, 425 insider trading, 426 margin trading, 425 regulation, 425-426 short sales, 425 stocks. See stocks Securities Act (Ontario), 426 securities markets, 415-416 security needs, 228 segmentation, 333-336 selection process, 197-200 selective distribution, 381, 381f self-actualization needs, 228 self-awareness, 224 self-employment, 86, 87 see also entrepreneurship; new venture; small business self-managed teams, 233 self-regulation, 224 selling expenses, 297 serial bond, 420 service marketing, 329 service operations, 259, 260-262 see also services service-producing processes, 263-264 service productivity, 274 service quality considerations, 262 service technologies, 43-45 services capacity planning, 266 classification of, 349-350 convenience services, 349 customer contact, extent, 262 distribution of, 379-380 layout planning, 269, 269f location planning, 267 marketing of, 329 methods improvements, 270, 270f and production, 259 promotion. See promotion quality issues, 284-285 scheduling, 271 service operations, 259, 260-262 shopping services, 349 specialty services, 349 settlers, 19 seven-step development process, 351-352, 352f sexual harassment, 207, 223

shareholder return ratios, 299 shareholder rights, 102 shopping agents, 385 shopping goods, 349 shopping services, 349 short sales, 425 short-selling, 421 short-term funds, 437-439 short-term goals, 157 short-term (operating) expenditures, 297, 436-437 short-term solvency ratios, 298 shortage, 16-17, 42 sick leave, 205 simple message transfer protocol (SMTP), 311 simple ranking method, 202 Singapore, 117 sinking-fund provision, 420 situational (contingency) approach to leadership, 238 skills inventories, 196 skills of management. See management skills slogans, 358 small business defined, 86, 87 distribution, 341 failure, reasons for, 106, 106t financial management, 443-445 green businesses, 90 and marketing mix, 340-341 pricing, 341 products, 340-341 promotion, 341 role in Canadian economy, 89 and social responsibility, 77-78 starting up, 99-100 statistics, sources for, 87 success, reasons for, 105-106 top small- and medium-sized employers in Canada, 87t smart cards, 407 SMART goals, 158, 231 social audits, 76 social class, 338 social consciousness, 66-67 social differences, 126 social goals, 12 social influences, 337 social media, 48-49, 197 see also e-business social needs, 228 social networking, 310 social responsibility. See corporate social responsibility (CSR) social skill, 225 socialism 8 socio-cultural environment, 45-47 socio-cultural forces, 248 soft manufacturing, 269

software, 313 sole proprietorship, 101 solvency ratios, 298-299 South American Free Trade Area (SAFTA), 132 South Korea, 117 sovereign governments, 45 Spain, 121 spam, 318-319, 320 span of control, 178 spear phishing, 320 specialization, 20, 173-175 specialized lending and savings intermediaties, 411-412 specialty goods, 349 specialty services, 349 specialty stores, 383 specific performance, 30 speculative risks, 445 speed to market, 351 spendable money supply, 403-404 spinoff, 51 spokesperson, 148 spyware, 318, 319-320 stability, 41-42, 45 staff authority, 178f, 179 staffing the organization, 196-200 stakeholders, 66 standard of living, 38 standardization, 271 start-up, 99-100 start-up costs, 93 statement of cash flows, 297-298 statistical process control (SPC), 277 statutory law, 29 stealing, 16 stealth advertising, 72-73 stock exchanges, 417-418 stock options, 422-423 stockbrokers, 412, 417 stockholders, 102 stockholders' equity, 417 stocks book value, 417 buying and selling, 424-425 callable stock, 417 common stock, 102, 296, 417, 440 defined, 104 market capitalization, 417 online trading, 418 preferred stock, 417, 441 prospectus, 426 stock exchanges, 417-418 stock quotations, 423, 423f stop order, 425 storage warehouses, 388 store of value, 403 stored-value cards, 407 strategic alliance, 52, 125 strategic goals, 158 strategic leadership, 241

strategic management business goal setting, 157-158 defined, 157 formulation of strategy, 158-160, 160f levels of strategy, 160-161 strategic plans, 149 strategy business-level (competitive) strategy, 160, 161 competitive strategy, 161 concentration strategy, 160-161 corporate-level strategy, 160, 161 cost leadership, 161 defined, 157 differentiation, 161 distribution strategies, 381, 381f diversification, 161 as driver of operations, 264-265, 264f focus strategy, 161 formulation of, 158-160, 160f functional strategies, 160, 161 growth strategy, 161 hierarchy of strategy, 160f integration strategy, 161 investment reduction, 161 levels of, 160-161 marketing mix, 331-333 motivation, enhancement of, 229-237 and organizational structure, 172 physical distribution, 389-390 pricing strategies, 377-378 promotional strategies, 357-358 pull strategy, 358 push strategy, 358 strategy formulation, 158-160, 160f strict product liability, 31 strike, 214 strike price, 423 strikebreakers, 214 structural unemployment, 41-42 structured securities, 419 subculture, 338 subsidiary corporation, 52 subsidy, 126-128 substitutes, 48 success, 105-106 supermarkets, 383 supervisors, 151 supplier selection, 271 suppliers, 48, 66, 96, 315 supplies, 349 supply defined, 14 demand and supply schedule, 14-15 external supply, 195 human resources supply, 195-196 internal supply, 195 law of supply, 14 in market economy, 13-15, 15f money supply, 403-404, 407-408, 408f, 410

supply chain management (SCM), 280 supply chains, 279-280, 280f supply curve, 15, 15f support facilities, 267 Supreme Court of Canada, 29, 46, 207 surplus, 16-17, 119 survey, 337 sustainable corporations, 77 SWOT analysis, 160, 248 symbolism, 340 synthetic process, 263

#### 1

tactical plans, 149 Taiwan, 117 takeovers, 51 tangible goods, 329 target marketing, 333-336 target markets, 333 tariff, 127 task-oriented, 238 tasks assignment of, 176-177 combining tasks, 234 performance of, 177 tax authorities, 289 tax services, 291-292 taxes double taxation, 104 government as taxation agent, 12 municipal tax rebates, 13 progressive revenue taxes, 12 regressive revenue taxes, 12 restrictive taxes, 12 revenue taxes, 12 team authority, 179 team building, 201 team incentives, 204 team management, 233-234 team organization, 183 teams benefits of, 233 natural workgroups, 234 problem-solving teams, 233 project teams, 233 quality improvement (QI) teams, 278 self-managed teams, 233 transnational teams, 233 venture team, 97, 233 virtual teams, 233 technical skills, 152 technological environment, 43-45 technological forces, 248 technology defined, 43 in Europe, 116 information technology (IT). See information technology (IT) portable offices, 307-310 product technologies, 43-45

remote access, 307-310 shouji jiayouzhan, 329 technological environment, 43-45 transformation technologies, 263 technology transfer, 44-45 telecommuting, 235-236, 246-247 telemarketing, 364, 385 television, 359-360 test marketing, 352 tests, 199-200 Textile Labelling Act, 12 Thailand, 117 theft 223 Theory X, 227 Theory Y, 227 threat of potential entrants, 48 threats, 160 time-and-motion studies, 226 time deposits, 404 time management skills, 153-154 time utility, 259 title, 31 Tobacco Act, 11 top managers, 151 Toronto Stock Exchange (TSX), 416, 418, 426, 427, 435 torts, 31 total quality management (TQM), 275-276 toxic wastes, 69-70 trade acceptance, 437 trade associations, 13 trade credit, 96, 437, 443 trade deficit, 40 trade discounts, 379 trade draft, 437 trade shows, 365 trade surplus, 40 trademarks, 355 training, 201 trait approach, 238 transaction processing system (TPS), 316 transactional leadership, 239 transfer agent, 411 transfer of property, 31 transformation system, 260f transformation technologies, 263 transformational leadership, 239 transnational teams, 233 transport processes, 263 transportation, 271 transportation modes, 388-389 transportation operations, 388-389 triple bottom line reporting, 77 Trojan horses, 318 trucks, 388 trust companies, 96 trust company, 411 trust services, 406 truth in advertising, 71 turnover, 223 two-factor theory, 228, 228f

#### U

undercover advertising, 72-73 underwriters, 412 unemployment, 41-42, 42f unethical behaviour, 61 unfair pricing, 71 unfairness, 64 unicycle motorbike, 259 union hiring halls, 196 union-management relations, 210 unions. See labour unions unit of account, 403 United States American dollar, 120-121 balance of trade, 40 bananas, 128 banking in, 406, 415 **Corruption Perceptions** Index, 129 customer preferences and tastes, 45 debtor nation, 40 foreign buyouts, 125 GDP per capita, 39 global competitiveness ranking, 119 government bailouts, 9 as high-income country, 116 management styles, 241 protectionist approach, 129 R&D investment, 43 role in global economy, 116 Sarbanes-Oxley Act, 305 World Trade Organization, founding member of, 130 unlimited liability, 101, 102 unsecured loan, 407, 438-439 unstorable services, 262 upper middle-income countries, 116 users of accounting information, 289, 290 utility norm, 64, 259

#### V

vacations, 205, 212 validation, 198 value adding value, 93 creation of, through production, 259-260 defined, 329

and marketing, 329 through brand equity, 354 value chain, 279-280, 280f value-added analysis, 277 value chain, 279-280, 280f value package, 349 values individual values, 62 organizational values, 65, 65f variable costs, 376 variable pay, 204 venture capital, 443 venture capital firms, 412 venture capitalists, 95 venture team, 97, 233 vertical integration, 161 vertical marketing systems (VMSs), 382 vertical merger, 51 vestibule training, 201 vice-president, 151 video assessment, 200 video cases African Accountants, 324 Clash of the Co-workers, 252-253 The "Feel-Better" Bracelet, 397 Flair Bartending, 251 Mompreneurs, 141 Shall We Dance, 398 Tree Planters, 323 Whistleblowers at the RCMP, 140 video marketing, 387 video mining, 336 Vietnam, 117 violence in the workplace, 223 viral marketing, 48-49 virtual advertising, 362 virtual goods, 14 virtual leadership, 241-242 virtual organization, 183-184, 184f virtual private networks (VPNs), 312 virtual storefronts, 387 virtual teams, 233 viruses, 318, 319 visible minorities, 208-209 vision, 157 voluntary arbitration, 214-215 VSAT satellite communications, 311

#### W

wage reopener clause, 213 wages, 203, 212 Walkerton, Ontario, 76 warehousing, 271, 388 warranty, 31 water carriers, 389 water pollution, 69 The Wealth of Nations (Smith), 20 Weights and Measures Act, 11 welfare systems, 8 wellness programs, 205 whistleblowers, 73-74, 141 wholesale clubs, 383 wholesale distribution, 380 wholesalets, 379, 382 Wi-Fi, 313 wide area networks (WANs), 312 wide span of control, 178 wikis, 232 wine connoisseurs. 7 wireless local area network (wireless LAN or WLAN), 313 wireless networks, 312, 312f wireless wide area networks (WWANs), 312 women and leadership, 240 mompreneurs, 91-92 and new businesses, 89 word of mouth marketing, 339, 347-348 word-of-mouth (WOM) advertising, 361 work-in-process inventory, 437 work schedules, modified, 234-236 work scheduling, 271 worker training, 272 workers' compensation, 204 workforce diversity, 208-209 workplace aggression and violence, 223 worksharing, 237 World Bank, 16, 116, 415 world business. See global business world marketplaces, 116-117 world product mandating, 125 World Trade Organization (WTO), 33, 127, 128, 130, 136, 137 World Wide Web, 311 see also Internet worms, 318