OCULUS BUSINESS COACHING – DEFINITION OF TERMS

Management

Vision – What does the business look like (in the future) as stated in terms of in size, number of employees, markets served, culture, revenue.

Goal – A benchmark toward which effort is directed or aimed with the intended result of an achieved performance metric that aligned with the business vision.

Purpose - the reason for which something exists or is done, made, used, etc.

Pathway Plan™ A strategic plan that defines what the business, or business unit, is trying to achieve and how it will achieve those objectives. A strategy as to how the owner or management intends to operate and grow the business.

Training is teaching, or developing in oneself or others, any skills and knowledge that relate to specific useful competencies. Training has specific goals of improving one's capability, capacity, productivity and performance.

SWOT analysis This is an acronym for strengths, weaknesses, opportunities, and threats. A SWOT analysis reviews aspects of a company to highlight these various factors and used as a guide in developing future business strategies. An additional "T" is sometimes added for trends.

Enterprise resource planning (ERP) provides an integrated and continuously updated view of core business processes using common databases maintained by a database management system. ERP systems track business resources—cash, raw materials, production capacity and the status of business commitments: orders, purchase orders, and payroll. The applications that make up the system share data across various departments (manufacturing, purchasing, sales, accounting, etc.) that provide the data.

Value chain is a set of activities that are performed in order to deliver a valuable product or service. At each activity the product gains some value. The chain of activities gives the products more added value than the sum of added values of all activities.

Systems development

Procedure - A standard operating procedure is a standardized document that describes the details of a procedure for the execution of routine activities. It includes relevant quality criteria and references to business rules, standards, or regulations, so to ensure efficient execution and homogeneous outcome.

Project management

Organization chart is a diagram showing graphically the relation of one official to another, or others, of a company. It is also used to show the relation of one department to another, or others, or of one function of an organization to another, or others. This chart is valuable in that it enables one to visualize a complete organization, by means of the picture it presents.

Sales

Sales management is a business discipline which is focused on the practical application of sales techniques and the management of a firm's sales operations. It is an important business function as net sales through the sale of products and services and resulting profit drive commercial business. These are also typically the goals and performance indicators of sales management.

Sales pipeline is system to manage client prospects and where they are in the purchasing process. Pipelines provide an overview of a sales rep's account forecast and how close they are to making quota, as well as how close a sales team as a whole is to reaching quota. This enables sales reps and sales managers to forecast the number and dollar amounts of deals that will close in a given period of time.

Sales process It is intended to design better ways of selling, and making sales people more productive. Typically, it is the process which takes place in the following sequence: 1. Prospecting / initial contact 2. Pre-approach - planning the sale, 3. Identifying and cross questioning, 4. Need assessment, 5. Presentation, 6. Meeting objections, 7. Gaining commitment, 8. Follow-up

Sales plan is a strategic document that outlines the business targets, resources and sales activities. It typically follows the lead of the marketing, marketing plan, and the strategic plan with more specific detail on how the objectives can be achieved through the actual sale of products and services.

Customer relationship management (CRM) is an approach to manage a company's interaction with current and potential customers. It uses data analysis about customers' history with a company to improve business relationships with customers, specifically focusing on customer retention and ultimately driving sales growth.

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Marketing A marketing strategy is the entire "package" of the company. Its advertising, public relations, social networking among other things. Marketing personifies a company and makes it what it is.

Branding Identifies a product or service. It is a recurring theme, symbol, slogan, or logo that someone sees all the time on products and in print ads, websites, TV promotions, company shirts, and other media forms to keep the company's name, products and services in the public eye.

Finance

Income statement Discusses the importance of adjusting the income statement for items that have a tendency to distort the true net income of a business. It is important not to be misled by items that are "abnormal' to a business. Spotting these anomalies in a business merits further analysis and, possible, corrective action.

Revenue Properly analyzing revenue and gross profit at an entity level and, separately, by product or service line. Although a business might be profitable, it is important to understand what products and services produce the highest gross profit.

Expense An expense review is more than only trying to figure out what expenses might be reduced. It is easy to see that certain expenditures might be too high and out of line such as office supplies, travel, entertainment, or continuing education, as examples. A thorough review will not only determine what expenses to reduce but what alternative choices might be made to reduce cash outflows for certain expenses while increasing operating efficiency.

Budget A budget is a business goal expressed in financial terms. It is a company's intention to this target.

Forecasting A forecast can appear to look like a budget but is used in a different way and contains different data. It is based on what is currently happening in the company based on current operations and economic climate. It might be changed monthly due to varying circumstances.

Ratio analysis A ratio analysis, can be quite scary for the novice! The time spent learning what the various ratios mean is well worth it. A solid understanding of ratios gives you the ability to spot trends and areas of concern that need further analysis. Common Ratios covered are: Current Ratio, Quick Ratio, Working Capital, A/R Turnover, Day's Sales Uncollected, Debt to Equity and Profit Margin Ratio.

Operations

Operations management involves the responsibility of ensuring that business operations are efficient in terms of using as few resources as needed and effective in terms of meeting customer requirements. It is concerned with managing an entire production system which is the process that converts inputs (in the forms of raw materials, labor, and energy) into outputs (in the form of goods and/or services), as an asset or delivers a product or services. Operations is one of the major functions in an organization along with supply chains, marketing, finance and human resources. The operations function requires management of both the strategic and day-to-day production of goods and services.

Internal controls is an effective system that requires (does not request or ask) that all employees adhere to company policies and procedures will minimize possible errors in operations and data. A strong internal control system promotes operational efficiency, safeguards assets, and provides more reliable financial data. Simply stated, a system of controls helps a business accomplish its overall objective.

Risk assessment A risk assessment review examines area that are most vulnerable for fraud to occur in a business.

Fraud deterrence is another important aspect that many owners overlook. Profits made from operations should not be lost to an unscrupulous employ. There are ways, however, to reduce the potential of fraud as there are ways to increase profits in business.

Production

Production management is a collection of technologies and methods used to define how products are to be manufactured and in conjunction used to plan the ordering of materials and other resources, set manufacturing schedules, and compile cost data and reporting promise dates.

In managing manufacturing or service operations several types of decisions are made including operations strategy, product design, process design, quality management, capacity, facilities planning, production planning and inventory control. Each of these requires an ability to analyze the current situation and find better solutions to improve the effectiveness and efficiency of fabrication or service operations.

Manufacturing process is focused on repetitive activities that achieve high quality outputs with minimum cost and time.

Scheduling is the process of arranging, controlling and optimizing work and workloads in a production process or manufacturing process. Scheduling is used to allocate plant and machinery resources, plan human resources, plan production processes and purchase materials.

Work in process (WIP) are a company's partially finished goods waiting for completion and eventual sale or the value of these items. These items are either just being fabricated or waiting for further processing in a queue or a buffer storage. The term is used in production and supply chain management.

Estimation (or estimating) is the process of finding an estimate, or approximation, which is a value that is usable for some purpose even if input data may be incomplete, uncertain, or unstable. The value is nonetheless usable because it is derived from the best information available. Typically, estimation involves "using the value of a statistic derived from a sample to estimate the value of a corresponding population parameter". The sample provides information that can be projected, through various formal or informal processes, to determine a range most likely to describe the missing information.

Job costing is accounting which tracks the costs and revenues by "job" and enables standardized reporting of profitability by job. For an accounting system to support job costing, it must allow job numbers to be assigned to individual items of expenses and revenues. A job can be defined to be a specific project done for one customer, or a single unit of product manufactured, or a batch of units of the same type that are produced together.

To apply job costing in a manufacturing setting involves tracking which "job" uses various types of direct expenses such as direct labor and direct materials, and then allocating overhead costs (indirect labor, warranty costs, quality control and other overhead costs) to the jobs. A job profitability report is like an overall profit & loss statement for the firm, but is specific to each job number.

Supply chain management (SCM), the management of the flow of goods and services, involves the movement and storage of raw materials, of work-in-process inventory, and of finished goods from point of origin to point of consumption. Supply-chain management has been defined as the "design, planning, execution, control, and monitoring of supply chain activities with the objective of creating net value, building a competitive infrastructure, leveraging worldwide logistics, synchronizing supply with demand and measuring performance globally. SCM practice draws heavily from the areas of industrial engineering, systems engineering operations management, logistics, procurement information technology, and marketing and strives for an integrated approach

Work flow consists of an orchestrated and repeatable pattern of activity enabled by the systemic organization of resources into processes that transform materials, provide services, or process information. Factory layout planning and analysis consists of; 1. work flow simulation, 2. walk-path assembly planning, 3. plant design optimization

Bottleneck is one process in a chain of processes, such that its limited capacity reduces the capacity of the whole chain. The result of having a bottleneck are stalls in production, supply overstock, pressure from customers and low employee morale. There are both short and long-term bottlenecks. Short-term bottlenecks are temporary and are not normally a significant problem. An example of a short-term bottleneck would be a skilled employee taking a few days off. Long-term bottlenecks occur all the time and can cumulatively significantly slow down production. An example of a long-term bottleneck is when a machine is not efficient enough and as a result has a long queue.

Queue is a collection of parts or subassemblies to be processed or activities to be completed. All elements that were added before have to be removed before the new element can be removed.

Buffer is the amount of time that a task in a project network that can be delayed without causing a delay to subsequent tasks ("*free float*") or project completion date ("*total float*").

Lean manufacturing is a systematic method for waste minimization (“Muda”) within a manufacturing system without sacrificing productivity. Lean also takes into account waste created through overburden and waste created through unevenness in workloads. Working from the perspective of the client who consumes a product or service, "value" is any action or process that a customer would be willing to pay for.

Muda is a Japanese term typically associated with lean manufacturing that consists of any constraint or impediment that causes waste to occur.

Kanban is an effective tool to support running a production system as a whole, and an excellent way to promote improvement. Problem areas are highlighted by measuring lead time and cycle time of the full process and process steps. One of the main benefits of Kanban is to establish an upper limit to the work in process inventory, avoiding overloading of the manufacturing system.

Critical Path the longest duration of planned activities to logical end points or to the end of the project, and the earliest and latest that each activity can start and finish without making the project longer.

Batch production is a technique used in manufacturing, in which the object in question is created stage by stage over a series of workstations, and different batches of products are made. Together with job production (one-off production) and mass production (flow production or continuous production) it is one of the three main production methods.

Human Resources

Job Analysis provides information to organizations which helps to determine which employees are best fit for specific jobs.

Job description (position guide) is a document that describes the general tasks, or other related, and responsibilities of a position. It may specify the functionary to whom the position reports, specifications such as the qualifications or skills needed by the person in the job, and a salary range

Recruiting is the process of filling vacancies with people.

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Hiring is a core function of human resource management. It refers to the overall process of attracting, shortlisting, selecting and appointing suitable candidates for jobs (either permanent or temporary) within an organization.

Sourcing The use of one or more strategies to attract or identify candidates to fill job vacancies. It may involve internal and/or external recruitment advertising, using appropriate media, such as job portals, local or national newspapers, social media, business media, specialist recruitment media, professional publications, window advertisements, job centers, or in a variety of ways via the internet.

Screening and selection the process in which the value of candidates (who encompass the experience, technical skills, and soft skills such as interpersonal or team leadership) is measured and evaluated. Also concern about whether candidate fits the prevailing company culture.

Onboarding A mechanism through which new employees acquire the necessary knowledge, skills, and behaviors to become effective organizational members and insiders. It is the process of integrating a new employee into the organization and its culture. Tactics used in this process include formal meetings, lectures, videos, printed materials, or computer-based orientations to introduce newcomers to their new jobs and organizations. Research has demonstrated that these socialization techniques lead to positive outcomes for new employees such as higher job satisfaction and better Job performance.

Employee handbook sometimes also known as an employee manual, *staff handbook*, or *company policy manual*, is a book given to employees by an employer. Usually, the employee handbook contains several Key sections and includes information about company culture, policies, and procedures. The employee handbook can be used to bring together employment and job-related information which employees need to know. It typically has three types of content: 1. Cultural: A welcome statement, the company's mission or purpose, company values, and more. 2. General Information: holiday arrangements, company perks, policies not required by law, policy summaries, and more. 3. Case-Specific: company policies, rules, disciplinary and grievance procedures, and other information modeled after employment laws or regulations.

The employee handbook is almost always a part of a company's onboarding or induction process for new staff. A written employee handbook gives clear advice to employees and creates a culture where issues are dealt with fairly and consistently.

Employee performance review A method by which the job performance of an employee is documented and evaluated. Performance appraisals are a part of career development and consist of regular reviews of employee performance within organizations.