

## Z

**zaibatsu (grupu).** A group of companies in Japan which co-ordinates their activities to mutual advantage. The companies are usually linked by ownership of equity, but this is limited to each company owning only a small stake (e.g. five per cent) in every other company. One company may be the dominant partner in the group, sometimes eponymous. Each group usually includes a trading company, a bank, and other service companies to support the main activities of manufacture.

**Z-chart.** A graphical method employed in time series analysis to compare observed periodic (monthly) values of a variable, their cumulative total, and the moving annual total.

**zero-based budgeting.** Budgeting which classifies all future expenditure as new items, rather than simply more easily approvable increments on existing budgets.

**zero-based review.** A zero-based budgeting technique, developed into a formal management planning process.

**zero coupon bond.** A BOND which is issued without the normal interest coupon, but at a reduced price which will result in an attractive interest total by the time it is due for redemption.

**zero defects policy.** A quality policy which is aimed at removing all defective items from production and to delivering 100 per cent correct items. This is in contrast to the tradition of making allowances for poor quality and working with an 'acceptable quality level' of less than 100 per cent.

**zero sum.** In GAME THEORY, a situation in which the size of a resource is fixed. Thus, one player can win only if another loses.

**zero time activity.** A dummy activity in a critical path network.

**zone circles.** A version of the problem-solving technique, QUALITY CIRCLES in which employees are grouped into self-regulatory teams in order to improve motivation and benefit from a joint approach to operating difficulties.

**zone curve chart.** A graphical chart which has, for each point, two values, one vertically above the other (e.g. maximum and minimum). When the lower and upper lines are drawn, a zone of varying size is shown between them. It is the nature of this difference, rather than the absolute value of either line, which is of interest.