



MBA BOOTCAMP: DEFINITIONS

***Multinational Corporation:** A corporation that has production facilities or other fixed assets in at least one foreign country and makes its major management decisions in a global context.

North American Industrial Classification System (NAICS): An industry classification system that groups establishments into industries based on activities in which they are primarily engaged. This system has been developed jointly by the United States, Canada, and Mexico. The six-digit codes replace the Standard Industrial Classification System (SIC). Please see the NAICS website for complete information: <http://www.census.gov/epcd/www/naics.html>

***Private Corporation:** A corporation whose shares are owned by private individuals or companies. Their shares trade on the major stock exchanges, giving them great liquidity. (Private companies are not required to make financial information available to the public).

***Public Ownership:**

Government: Government ownership and operation of a productive facility for the purpose of providing some good or service to citizens. An example of a publicly owned United States corporation is the postal service.

Investment: A portion of a corporation's stock that is publicly owned and traded in the open market. (Public companies are required to make financial information available to the public).

Ratios: A ratio is a comparison of two figures. Financial ratios allow for comparisons of a company or industry performance over a given time frame. Widely used ratios are liquidity, coverage, leverage, and operating.

***Sole Proprietorship:** A business or financial venture that is carried on by a single person and is not a trust or corporation.

***Standard Industrial Code (SIC):** A federally designed standard numbering system identifying companies by industry and providing other information. It is being replaced by the North American Industry Classification System (NAICS).

***Subsidiary:** A company whose voting stock is more than 50% owned by another firm.

***Ticker Symbol (Stock Symbol):** An abbreviation (one to four letters) used to identify companies on the securities exchanges on which they trade.

*Definitions taken from the [*Dictionary of Business Terms*](#):

Freidman, J.P. (2000). *Dictionary of Business Terms* (3rd ed.). New York: Barron's Educational Series, Inc.

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