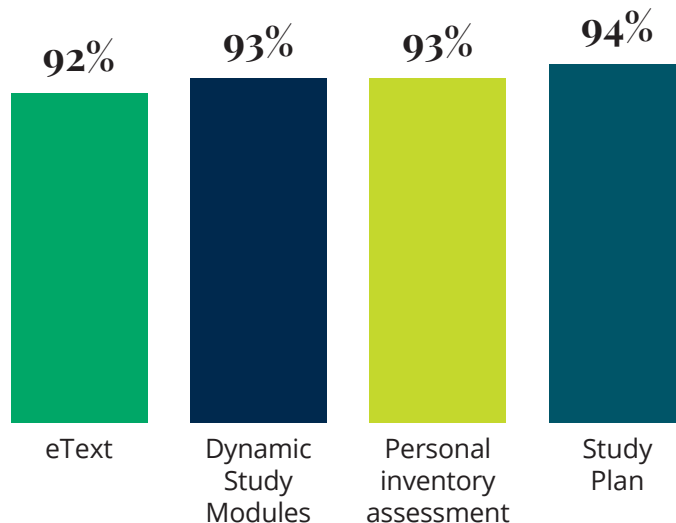
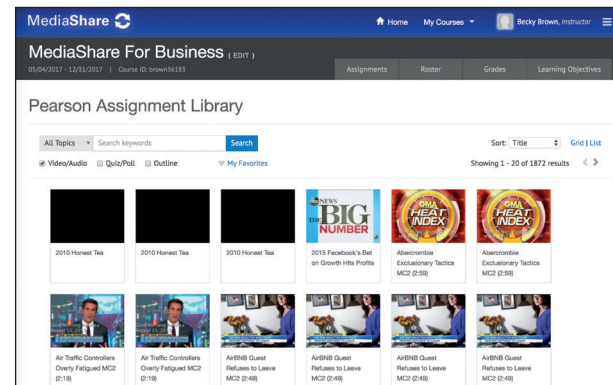


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# HR Strategy Model



The HR Strategy Model in the Part opener illustrates the basic idea behind strategic human resource management, which is that *in formulating human resource management policies and practices, the aim must be to produce the employee competencies and behaviors that the company needs to achieve its strategic goals.*

FIFTH EDITION

# Fundamentals of Human Resource Management

Gary Dessler

Florida International University



New York, NY

## This book is dedicated to Taylor

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# BRIEF CONTENTS

## **PART 1 INTRODUCTION 1**

- Chapter 1 Managing Human Resources Today 1
- Chapter 2 Managing Equal Opportunity and Diversity 27
- Chapter 3 Human Resource Strategy and Performance 58

## **PART 2 STAFFING: WORKFORCE PLANNING AND EMPLOYMENT 86**

- Chapter 4 Job Analysis and Talent Management 87
- Chapter 5 Personnel Planning and Recruiting 119
- Chapter 6 Selecting Employees 154

## **PART 3 TRAINING AND HUMAN RESOURCE DEVELOPMENT 195**

- Chapter 7 Training and Developing Employees 196
- Chapter 8 Performance Management and Appraisal Today 231
- Chapter 9 Managing Careers 260

## **PART 4 COMPENSATION AND TOTAL REWARDS 297**

- Chapter 10 Developing Compensation Plans 298
- Chapter 11 Pay for Performance and Employee Benefits 335

## **PART 5 Employee and Labor Relations 372**

- Chapter 12 Maintaining Positive Employee Relations 373
- Chapter 13 Labor Relations and Collective Bargaining 402
- Chapter 14 Improving Occupational Safety, Health, and Risk Management 433

## **PART 6 SPECIAL TOPICS IN HUMAN RESOURCE MANAGEMENT 468**

- Module A Managing HR Globally 468
- Module B Managing Human Resources in Small and Entrepreneurial Firms 485

- Appendix 502
- Glossary 514
- References 523
- Name Index 564
- Subject Index 567

# CONTENTS

*Preface* xvi  
*Acknowledgments* xxii  
*About the Author* xxiii

## PART 1 INTRODUCTION 1

<b>Chapter 1</b>	<b>Managing Human Resources Today 1</b>
	<b>What Is Human Resource Management? 2</b>
	Why Is Human Resource Management Important to All Managers? 3
	Line and Staff Aspects of HRM 5
	Line versus Staff Authority 5
	Line Managers' Human Resource Management Responsibilities 5
	The Human Resource Department 5
	<b>The Trends Shaping Human Resource Management 7</b>
	Workforce Demographics and Diversity Trends 7
	Trends in How People Work 8
	■ <b>HR AND THE GIG ECONOMY: On-Demand Workers 8</b>
	Globalization Trends 9
	Economic Trends 10
	Technology Trends 11
	■ <b>HR AS A PROFIT CENTER: Boosting Customer Service 13</b>
	<b>The New Human Resource Management 13</b>
	Distributed HR and the New Human Resource Management 13
	■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 14</b>
	HR and Performance 14
	■ <b>HR IN PRACTICE: Does Performance Trump Equity? 15</b>
	HR and Employee Engagement 16
	HR and Strategy 16
	HR and Sustainability 17
	HR and Ethics 18
	<b>The New Human Resource Manager 18</b>
	HR and the Manager's Skills 19
	HR Manager Certification 19
	HR and the Manager's Human Resource Philosophy 19
	<b>The Plan of This Book 21</b>
	The Chapters 21
	<b>Review 22</b>
	Summary 22 • Key Terms 23 • Discussion Questions 23 • Individual and Group Activities 23

<b>APPLICATION EXERCISES 24</b>
HR IN ACTION CASE INCIDENT 1: Jack Nelson's Problem 24
HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 25
Experiential Exercise: HR and "The Profit" 26

<b>Chapter 2</b>	<b>Managing Equal Opportunity and Diversity 27</b>
	<b>Equal Employment Opportunity Laws 28</b>
	Background 28
	Equal Pay Act of 1963 28
	Title VII of the 1964 Civil Rights Act 29
	Executive Orders 29
	Age Discrimination in Employment Act of 1967 29
	Vocational Rehabilitation Act of 1973 30
	Pregnancy Discrimination Act of 1978 30
	Federal Agency Uniform Guidelines on Employee Selection Procedures 30
	Selected Court Decisions regarding Equal Employment Opportunity (EEO) 30
	The Civil Rights Act of 1991 31
	The Americans with Disabilities Act 32
	Uniformed Services Employment and Reemployment Rights Act 33
	Genetic Information Nondiscrimination Act of 2008 33
	State and Local Equal Employment Opportunity Laws 34
	Religious and Other Types of Discrimination 34
	Trends in Discrimination Law 34
	■ <b>HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES 35</b>
	Sexual Harassment 36
	Diversity Counts 38
	■ <b>HR PRACTICES AROUND THE GLOBE: Applying Equal Employment Law Abroad 40</b>
	■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 40</b>
	<b>Defenses Against Discrimination Allegations 41</b>
	The Central Role of Adverse Impact 41
	■ <b>HR IN PRACTICE: How to Use the Standard Deviation Rule in Practice 42</b>
	Bona Fide Occupational Qualification 44
	Business Necessity 45
	<b>Building Your Management Skills: Illustrative Discriminatory Employment Practices 45</b>
	Recruitment 46
	Selection Standards 46
	Sample Discriminatory Promotion, Transfer, and Layoff Procedures 47

<b>The EEOC Enforcement Process</b>	<b>48</b>
Processing a Discrimination Charge	48
Voluntary Mediation	48
Mandatory Arbitration of Discrimination Claims	48
<b>Diversity Management and Affirmative Action</b>	<b>50</b>
Diversity's Barriers and Benefits	50
Managing Diversity	51
Equal Employment Opportunity versus Affirmative Action	52
Reverse Discrimination	52
<b>Review</b>	<b>53</b>
SUMMARY	53 • Key Terms 54
• Discussion Questions	54 • Individual and Group Activities 54
<b>APPLICATION EXERCISES</b>	<b>55</b>
HR IN ACTION CASE INCIDENT 1: An Accusation of Sexual Harassment in Pro Sports	55
HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	56
Experiential Exercise: The Interplay of Ethics and Equal Employment	56

## Chapter 3

### Human Resource Strategy and Performance 58

<b>The Strategic Management Process</b>	<b>59</b>
■ HR PRACTICES AROUND THE GLOBE: The Shanghai Portman's New Human Resource Management Strategy	59
The Basic Management Planning Process	60
What Is Strategic Planning?	61
The Strategic Management Process	62
Types of Strategies	64
Managers' Roles in Strategic Planning	66
<b>Strategic Human Resource Management</b>	<b>66</b>
What Is Strategic Human Resource Management?	67
■ HR IN PRACTICE: The Zappos "WOW" Way	68
■ HR AND THE GIG ECONOMY: Integrating HR into the Employer's Gig Worker Strategy	68
Sustainability and Strategic Human Resource Management	69
Strategic Human Resource Management Tools	69
<b>HR Metrics and Benchmarking</b>	<b>71</b>
Types of Metrics	71
Benchmarking	71
Strategy and Strategy-Based Metrics	72
Workforce/Talent Analytics and Data Mining	73
■ HR AS A PROFIT CENTER: Using Workforce/Talent Analytics	73
Using HR Audits	75
Evidence-Based HR and the Scientific Way of Doing Things	75
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES:	76
<b>Building High-Performance Work Systems</b>	<b>77</b>
High-Performance Human Resource Policies and Practices	77

<b>Employee Engagement and Performance</b>	<b>78</b>
Why Is Employee Engagement Important?	78
The Employee Engagement Problem	79
What Can Managers Do to Improve Employee Engagement?	79
How to Measure Employee Engagement	79
<b>Employee Engagement Guide For Managers</b>	<b>80</b>
How Kia Motors (UK) Improved Performance with an HR Strategy Aimed at Boosting Employee Engagement	80
The Challenges	80
The New Human Resource Management Strategy	80
The Results	81
<b>Review</b>	<b>82</b>
Summary	82 • Key Terms 83 • Discussion Questions 83 • Individual and Group Activities 83
<b>APPLICATION EXERCISES</b>	<b>84</b>
HR IN ACTION CASE INCIDENT 1: Siemens Builds a Strategy-Oriented HR System	84
HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	85
Experiential Exercise: Developing an HR Strategy for Starbucks	85

## PART 2 STAFFING: WORKFORCE PLANNING AND EMPLOYMENT 86

### Chapter 4 Job Analysis and Talent Management 87

<b>The Talent Management Process</b>	<b>88</b>
Improving Performance through HRIS	89
<b>The Basics of Job Analysis</b>	<b>89</b>
What Is Job Analysis?	89
Uses of Job Analysis Information	90
Steps in Job Analysis	91
■ HR AS A PROFIT CENTER: Boosting Productivity through Work Redesign	92
<b>Methods for Collecting Job Analysis Information</b>	<b>94</b>
The Interview	94
Questionnaires	95
Observation	98
Participant Diary/Logs	98
Quantitative Job Analysis Techniques: The Position Analysis Questionnaire (PAQ)	98
Electronic Job Analysis Methods	99
<b>Writing Job Descriptions</b>	<b>99</b>
Job Identification	99
Job Summary	102
Relationships	102
Responsibilities and Duties	102
■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA	103
Standards of Performance and Working Conditions	105
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Using O*NET	106



<b>Writing Job Specifications</b>	<b>108</b>
Specifications for Trained versus Untrained Personnel	109
Specifications Based on Judgment	109
■ <b>HR AND THE GIG ECONOMY: Do Gig Workers Need Job Specifications?</b>	109
Job Specifications Based on Statistical Analysis	110
The Job-Requirements Matrix	110
<b>Employee Engagement Guide for Managers</b>	<b>110</b>
Job Specifications and Employee Engagement	110
The Employee Engagement Manager's Job Description	111
<b>Using Competencies Models</b>	<b>112</b>
■ <b>HR PRACTICES AROUND THE GLOBE: Daimler Alabama Example</b>	114
How to Write Competencies Statements	114
<b>Review</b>	<b>115</b>
Summary	115
• Key Terms	116
• Discussion Questions	116
• Individual and Group Activities	117
<b>APPLICATION EXERCISES</b>	<b>117</b>
HR IN ACTION CASE INCIDENT 1: Optima Air Filter Company: The Flood	117
HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	117
Experiential Exercise: The Instructor's Job Description	118

## Chapter 5

<b>Personnel Planning and Recruiting</b>	<b>119</b>
<b>Workforce Planning and Forecasting</b>	<b>120</b>
Strategy and Workforce Planning	121
Towers Watson Example	121
Forecasting Workforce Needs (Labor Demand)	122
Improving Performance through HRIS	124
Forecasting the Supply of Inside Candidates	124
Forecasting the Supply of Outside Candidates	126
Predictive Workforce Monitoring	126
■ <b>HR AS A PROFIT CENTER: Predicting Labor Needs</b>	127
<b>Why Effective Recruiting Is Important</b>	<b>128</b>
The Recruiting Yield Pyramid	128
Improving Recruitment Effectiveness: Recruiters, Sources, and Branding	128
<b>Internal Sources of Candidates</b>	<b>130</b>
Identifying Internal Candidates	130
<b>Employee Engagement Guide for Managers</b>	<b>130</b>
Internal Recruitment and Promotion-from-Within	130
<b>Outside Sources of Candidates</b>	<b>131</b>
Informal Recruiting and the Hidden Job Market	131
Recruiting via the Internet	131
Improving Performance through HRIS	132
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA</b>	133

■ <b>TRENDS SHAPING HR: SCIENCE IN TALENT MANAGEMENT</b>	134
Advertising	134
Employment Agencies	135
■ <b>HR AND THE GIG ECONOMY:</b>	137
Poaching	138
Offshoring and Outsourcing Jobs and the H-1B Visa	138
Executive Recruiters	139
■ <b>HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Recruiting</b>	101 140
Referrals and Walk-Ins	141
Recruitment Process Outsourcers and On-Demand Recruiting Services	141
College Recruiting	142
Telecommuters	143
Military Personnel	143
<b>Recruiting a More Diverse Workforce</b>	<b>144</b>
Recruiting Women	144
Recruiting Single Parents	144
Older Workers	145
Diversity Counts	145
Recruiting Minorities	145
The Disabled	146

## Developing and Using Application Forms 146

Purpose of Application Forms 146

## Review 150

Summary	150
• Key Terms	150
• Discussion Questions	151
• Individual and Group Activities	151

## APPLICATION EXERCISES 152

HR IN ACTION CASE INCIDENT 1: Finding People Who Are Passionate about What They Do 152

HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 153

Experiential Exercise: The Nursing Shortage 153

## Chapter 6

<b>Selecting Employees</b>	<b>154</b>
<b>The Basics of Testing and Selecting Employees</b>	<b>155</b>
Why Careful Selection Is Important	155
Reliability	156
Validity	157
How to Validate a Test	158
■ <b>HR AS A PROFIT CENTER: Reducing Turnover at KeyBank</b>	159
<b>Types of Tests</b>	<b>160</b>
Tests of Cognitive Abilities	160
Tests of Motor and Physical Abilities	161
Measuring Personality	161
Achievement Tests	163
■ <b>HR PRACTICES AROUND THE GLOBE: Testing for Assignments Abroad</b>	163
Computerized and Online Testing	163
Improving Performance Through HRIS	164
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA</b>	164



Work Samples and Simulations	165
Situational Judgment Tests	165
■ <b>HR AND THE GIG ECONOMY: Selecting Freelance Workers</b>	165
Management Assessment Centers	165
Video-Based Situational Testing	166
The Miniature Job Training and Evaluation Approach	166
■ <b>HR IN PRACTICE: Selecting Employees at Honda's New Car Plant</b>	166
Computerized Multimedia Candidate Assessment Tools	167
■ <b>HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Employee Testing and Selection</b>	167
<b>Interviewing Candidates</b>	168
Types of Selection Interviews	168
Diversity Counts	169
How Useful Are Interviews?	170
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA</b>	170
How to Avoid Common Interviewing Mistakes	171
Using Competencies Models and Profiles in Employee Interviews	174
■ <b>TRENDS SHAPING HR: SCIENCE IN TALENT MANAGEMENT</b>	175
<b>Using Other Selection Techniques</b>	176
Background Investigations and Reference Checks	176
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA</b>	177
Honesty Testing	180
Graphology	181
■ <b>HR AS A PROFIT CENTER: Using Integrity Tests</b>	181
Medical Exams	182
Drug Screening	182
Realistic Job Previews	182
Tapping Friends and Acquaintances	182
Making the Selection Decision	182
Complying with Immigration Law	183
Improving Performance Through HRIS	184
Developing and Extending the Job Offer	184
<b>Employee Engagement Guide for Managers</b>	184
Building Engagement: A Total Selection Program	185
The Toyota Way	185
<b>Review</b>	187
Summary	187
• Key Terms	187
• Discussion Questions	188
• Individual and Group Activities	188
<b>APPLICATION EXERCISES</b>	189
HR IN ACTION CASE INCIDENT 1: Ethics and the Out-of-Control Interview	189
HR IN ACTION CASE INCIDENT 2: Honesty Testing at Carter Cleaning Company	190
Experiential Exercise: The Most Important Person You'll Ever Hire	190

## Appendix: The Structured Situational Interview 191

## PART 3 TRAINING AND HUMAN RESOURCE DEVELOPMENT 195

### Chapter 7 Training and Developing Employees 196

<b>Orienting/Onboarding New Employees</b>	197
The Purposes of Employee Orientation/Onboarding	198
The Orientation Process	198
<b>Employee Engagement Guide for Managers: Onboarding at Toyota</b>	200
<b>Overview of the Training Process</b>	201
Aligning Strategy and Training	201
The ADDIE Five-Step Training Process	201
Conducting the Training Needs Analysis	202
Designing the Training Program	204
Developing the Program	206
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA: TRAINING ON THE CLOUD</b>	207
<b>Implementing the Training Program</b>	207
On-the-Job Training	207
Apprenticeship Training	208
Informal Learning	208
Job Instruction Training	209
Lectures	209
Programmed Learning	209
Behavior Modeling	210
Audiovisual-Based Training and Videoconferencing	210
Vestibule Training	210
Electronic Performance Support Systems (EPSS)	210
Computer-Based Training (CBT)	211
Simulated Learning and Gaming	211
Online/Internet-Based Training	212
■ <b>HR AND THE GIG ECONOMY: An Example: On-Demand Microlearning at Uber</b>	214
Lifelong and Literacy Training Techniques	214
Diversity Training	215
■ <b>HR IN PRACTICE: Diversity Training at ABC Virtual Communications, Inc.</b>	215
Team Training	215
<b>Implementing Management Development Programs</b>	217
Strategy's Role in Management Development	217
Succession Planning	218
Improving Performance Through HRIS	218
Managerial On-the-Job Training	219
■ <b>HR PRACTICES AROUND THE GLOBE: Global Job Rotation</b>	219
Off-the-Job Management Training and Development Techniques	220
Leadership Development at GE	222
<b>Managing Organizational Change Programs</b>	223
Using Organizational Development	223

## Evaluating the Training Effort 224

Designing the Study 224

Training Effects to Measure 225

## Review 226

Summary 226 • Key Terms 227

• Discussion Questions 227 • Individual and Group Activities 227

## APPLICATION EXERCISES 228

HR IN ACTION CASE INCIDENT 1: Reinventing the Wheel at Apex Door Company 228

HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company: The New Training Program 229

Experiential Exercise: Flying the Friendlier Skies 230

## Chapter 8

## Performance Management and Appraisal Today 231

### Basic Concepts in Performance Appraisal 232

Why Appraise Performance? 233

Steps in Performance Appraisal 233

Defining the Employee's Performance Standards 233

■ HR AS A PROFIT CENTER: Setting Performance Goals at Ball Corporation 234

■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: How to Set Effective Goals 234

Who Should Do the Appraising? 235

■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 237

### Traditional Appraisal Methods 237

Graphic Rating Scale Method 237

Alternation Ranking Method 237

Paired Comparison Method 239

Forced Distribution Method 239

Critical Incident Method 239

Behaviorally Anchored Rating Scales 241

Appraisal Forms in Practice 242

The Management by Objectives Method 243

Computerized and Online Performance Appraisals 243

Virtual Appraisal Games 243

Electronic Performance Monitoring 244

Talent Management and Differential Employee Appraisal 244

Conversation Days 245

### How to Deal With Rater Error Problems and the Appraisal Interview 245

Clarify Standards 245

Avoid Halo Effect Ratings 245

Avoid the Middle 246

Don't Be Lenient or Strict 246

Diversity Counts 247

### Employee Engagement Guide for Managers: Use the Appraisal Interview to Build Engagement 250

### Performance Management Today 251

Total Quality Management and Performance Appraisal 251

Performance Management Examples 252

What Is Performance Management? 252

■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 253

The Manager's Role in Performance Management 254

Making Performance Management Practical 254

■ HR IN PRACTICE: Performance Management in Action: Deloitte's New Performance Management Process 254

■ HR AND THE GIG ECONOMY: Rating Uber Drivers 255

## Review 256

Summary 256 • Key Terms 257

• Discussion Questions 257 • Individual and Group Activities 257

## APPLICATION EXERCISES 258

HR IN ACTION CASE INCIDENT 1: Appraising the Secretaries at Sweetwater U 258

HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 259

Experiential Exercise: Setting Goals for and Appraising an Instructor 259

## Chapter 9

## Managing Careers 260

### Career Management 261

Careers Today 261

Psychological Contract 261

The Employee's Role in Career Management 262

■ HR AND THE GIG ECONOMY: The Portfolio Career 263

The Employer's Role in Career Management 264

■ HR IN PRACTICE: Intuit's Job Rotation Program 264

Employer Career Management Methods 264

■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: The Manager's Role in Employee Career Development 266

Diversity Counts 267

### Improving Mentoring and Coaching Skills 267

Being a Better Mentor 269

Improving Performance Through HRIS 269

### Employee Engagement Guide for Managers 270

Career Management 270

The New Psychological Contract 270

Commitment-Oriented Career Development Efforts 270

Career-Oriented Appraisals 271

■ HR IN PRACTICE: Career Development at Medtronic 272

### Managing Employee Retention and Turnover 272

■ HR as a Profit Center: Costs of Turnover 272

Managing Voluntary Turnover 273

Retention Strategies for Reducing Voluntary Turnover 274

A Comprehensive Approach to Retaining Employees 274

■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 275

Job Withdrawal 275

### Managing Promotions and Transfers 276

Decision 1: Is Seniority or Competence the Rule? 277

Decision 2: How Should We Measure Competence? 277

Decision 3: Is the Process Formal or Informal?	278
Decision 4: Vertical, Horizontal, or Other?	278
Diversity Counts	278
Managing Transfers	279
Managing Retirements	279
<b>Managing Dismissals</b>	<b>280</b>
Grounds for Dismissal	281
Avoiding Wrongful Discharge Suits	283
Supervisor Liability	284
Layoffs and the Plant Closing Law	286
Adjusting to Downsizings and Mergers	286
<b>Review</b>	<b>287</b>
Summary	287 • Key Terms 287
• Discussion Questions	288 • Individual and Group Activities 288
<b>APPLICATION EXERCISES</b>	<b>289</b>
HR IN ACTION CASE INCIDENT 1: Google Reacts	289
HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	289
Experiential Exercise: Where Am I Going . . . and Why?	290
<b>Appendix: Managing Your Career and Finding a Job</b>	<b>290</b>

## PART 4 COMPENSATION AND TOTAL REWARDS 297

### Chapter 10 Developing Compensation Plans 298

<b>The Basic Factors in Determining Pay Rates</b>	<b>299</b>
Aligning Total Rewards with Strategy	299
Equity and Its Impact on Pay Rates	300
Legal Considerations in Compensation	301
■ HR AND THE GIG ECONOMY: Are Gig Workers Employees or Independent Contractors?	305
Union Influences on Compensation Decisions	306
Pay Policies	306
■ HR AS A PROFIT CENTER: Wegmans Foods	307
■ HR PRACTICES AROUND THE GLOBE: Compensating Expatriate Employees	308
<b>Job Evaluation Methods</b>	<b>308</b>
What Is Job Evaluation?	308
Salary Surveys	309
Compensable Factors	310
Preparing for the Job Evaluation	310
Job Evaluation Methods: Ranking	311
Job Evaluation Methods: Job Classification	313
Job Evaluation Methods: Point Method	314
Computerized Job Evaluations	314
Wage Curves	314
Pay Grades	315
Rate Ranges and the Wage Structure	315
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Developing a Workable Pay Plan	317
<b>Pricing Managerial and Professional Jobs</b>	<b>317</b>

Compensating Executives and Managers	318
What Determines Executive Pay?	318
Compensating Professional Employees	319
Improving Performance Through HRIS	319

### Contemporary Topics in Compensation 320

Competency-Based Pay	320
■ HR IN PRACTICE: JLG's Skill-Based Pay Program	320
Broadbanding	321
Comparable Worth	322
Diversity Counts	323
Board Oversight of Executive Pay	323

### Employee Engagement Guide For Managers 324

Total Rewards Programs	324
Total Rewards and Employee Engagement	324

### Review 325

Summary	325 • Key Terms 325
• Discussion Questions	326 • Individual and Group Activities 326

### APPLICATION EXERCISES 327

HR IN ACTION CASE INCIDENT 1: Salary Inequities at AstraZeneca	327
HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	328

Experiential Exercise: Ranking the College's Administrators	328
---	-----

### Appendix: How to Create a Market-Competitive Pay Plan Using the Point Plan Job Evaluation Method 329

### Chapter 11 Pay for Performance and Employee Benefits 335

#### Individual Employee Incentive Plans 336

Individual Incentive Plans: Piecework Plans	336
Incentives and the Law	336
Merit Pay as an Incentive	337
Incentives for Professional Employees	337
Nonfinancial and Recognition-Based Awards	338

#### ■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 338

#### ■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Goals and Recognition 338

Goals and Recognition	338
-----------------------	-----

Job Design	339
------------	-----

#### ■ HR IN PRACTICE: Using Financial and Nonfinancial Incentives in a Fast-Food Chain 339

Incentives for Salespeople	340
----------------------------	-----

#### ■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 342

Incentives for Managers and Executives	342
Short-Term Managerial Incentives and the Annual Bonus	342

Executives' Strategic Long-Term Incentives	343
--	-----

### Team and Organizationwide Incentive Plans 344

How to Design Team Incentives	344
Profit-Sharing Plans	345
Gainsharing Plans	345

At-Risk Pay Plans	345
Employee Stock Ownership Plans	346
<b>Benefits and Services: The Benefits Picture Today</b>	<b>346</b>
<b>Pay for Time Not Worked and Insurance Benefits</b>	<b>347</b>
Unemployment Insurance	347
Vacations and Holidays	348
Sick Leave	349
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA</b>	<b>349</b>
■ <b>HR AS A PROFIT CENTER: Cutting Absences at the Driver and Vehicle Licensing Agency</b>	<b>349</b>
Parental Leaves and the Family and Medical Leave Act	350
Severance Pay	351
Supplemental Unemployment Benefits	351
Insurance Benefits	351
Workers' Compensation	351
Hospitalization, Health, and Disability Insurance	352
Tools for Employer Health Care Cost Control	356
■ <b>HR AS A PROFIT CENTER: The Doctor Is on the Phone</b>	<b>356</b>
Long-Term Care	357
Life Insurance	357
Benefits for Part-Time and Contingent Workers	358
■ <b>HR AND THE GIG ECONOMY: Gig Worker Benefits</b>	<b>358</b>
■ <b>HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Benefits and Employee Leasing</b>	<b>358</b>
<b>Retirement and Other Benefits</b>	<b>359</b>
Social Security	359
Pension Plans	359
Pensions and Early Retirement	361
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA</b>	<b>361</b>
<b>Personal Services and Family-Friendly Benefits</b>	<b>361</b>
Personal Services	361
Other Job-Related Benefits	362
Diversity Counts	362
Family-Friendly/Work–Life Benefits	362
Executive Perquisites	363
Flexible/Customized Benefits Programs	363
■ <b>HR AS A PROFIT CENTER: NES Rentals Holdings, Inc.</b>	<b>364</b>
■ <b>HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: “Costless” Small-Business–Friendly Benefits</b>	<b>365</b>
<b>Employee Engagement Guide For Managers</b>	<b>366</b>
Costco's Compensation Plan	366
<b>Review</b>	<b>367</b>
Summary	367 • Key Terms 368
• Discussion Questions 369 • Individual and Group Activities 369	

<b>APPLICATION EXERCISES</b>	<b>370</b>
HR IN ACTION CASE INCIDENT 1: Striking for Benefits	370
HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	371
Experiential Exercise: Revising the Benefits Package	371

## PART 5 Employee and Labor Relations 372

### Chapter 12 Maintaining Positive Employee Relations 373

<b>Employee Relations</b>	<b>374</b>
<b>Employee Relations Programs For Building and Maintaining Positive Employee Relations</b>	<b>375</b>
Ensuring Fair Treatment	375
■ <b>HR PRACTICES AROUND THE GLOBE: The Foxconn Plant in Shenzhen, China</b>	<b>376</b>
Improving Employee Relations Through Communications Programs	378
Develop Employee Recognition/Relations Programs	379
Use Employee Involvement Programs	379
■ <b>TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA</b>	<b>379</b>
■ <b>HR IN PRACTICE: The Cost-Effective Suggestion System</b>	<b>380</b>
■ <b>HR AND THE GIG ECONOMY: Getting Gig Workers Involved</b>	<b>381</b>

### The Ethical Organization 382

Ethics and Employee Rights	383
What Shapes Ethical Behavior at Work?	383
The Person (What Makes Bad Apples?)	383
Which Ethical Situations Make for Ethically Dangerous (Bad Cases) Situations?	384
What Are the “Bad Barrels”?—The Outside Factors That Mold Ethical Choices	384
Steps Managers Take to Create More Ethical Environments	384
■ <b>HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Small Business Ethics</b>	<b>386</b>
Institute Employee Privacy Policies	387
■ <b>HR AS A PROFIT CENTER: Monitoring and Profits</b>	<b>389</b>

### Managing Employee Discipline 389

■ <b>The Three Pillars of Fair Discipline</b>	<b>390</b>
Diversity Counts	390
Discipline Without Punishment	392

### Employee Engagement Guide For Managers 392

How Companies Become “Best Companies to Work For”	392
The “Best Companies to Work For”	392
SAS: Great Benefits, Trust, and Work–Life Balance	393
Google: Happiness and People Analytics	393
FedEx: Guaranteed Fair Treatment	394
A “Best Company” Human Resource Philosophy	396

**Review 397**

Summary 397 • Key Terms 398  
 • Discussion Questions 398 • Individual and Group Activities 398

**APPLICATION EXERCISES 399**

HR IN ACTION CASE INCIDENT 1: Enron, Ethics, and Organizational Culture 399

HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 400

Experiential Exercise: The Discipline Dilemma 400

Ethics Quiz Answers 401

## Chapter 13 Labor Relations and Collective Bargaining 402

**The Labor Movement 403**

Why Do Workers Organize? 404

■ HR AND THE GIG ECONOMY: Will Uber Drivers Organize? 404

### Employee Engagement Guide for Managers: Employee Engagement And Unionization 404

What Do Unions Want? 405

The AFL-CIO and the SEIU 406

**Unions and The Law 406**

Period of Strong Encouragement: The Norris-LaGuardia Act (1932) and the National Labor Relations Act (1935) 407

Period of Modified Encouragement Coupled with Regulation: The Taft-Hartley Act (1947) 408

Period of Detailed Regulation of Internal Union Affairs: The Landrum-Griffin Act (1959) 409

**The Union Drive and Election 409**

Step 1: Initial Contact 409

■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 411

Step 2: Authorization Cards 411

Step 3: The Hearing 412

Step 4: The Campaign 413

■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: What to Do when the Union Comes Calling 414

Step 5: The Election 416

How to Lose an NLRB Election 416

■ HR PRACTICES AROUND THE GLOBE: France Comes to the Workers' Aid 417

**The Collective Bargaining Process 417**

What Is Collective Bargaining? 417

What Is Good-Faith Bargaining? 418

The Negotiating Team 418

■ HR AS A PROFIT CENTER: Costing the Contract 419

Bargaining Items 419

Bargaining Stages 419

Impasses, Mediation, and Strikes 421

The Contract Agreement 424

Contract Administration: Dealing with Grievances 424

**What's Next for Unions? 425**

Why the Union Decline? 426

What Are Unions Doing About It? 426

Cooperative Labor-Management Relations 427

■ HR IN PRACTICE: Labor-Management Cooperation and Works Councils in America 427

**Review 428**

Summary 428 • Key Terms 449

• Discussion Questions 449 • Individual and Group Activities 449

**APPLICATION EXERCISES 430**

HR IN ACTION CASE INCIDENT 1: Negotiating with the Writers Guild of America 430

HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 431

Experiential Exercise: The Organizing Campaign at Sam's Cupcake Shop 439

## Chapter 14 Improving Occupational Safety, Health, and Risk Management 433

**Employee Safety and Health: An Introduction 434**

Why Safety Is Important 434

■ HR AS A PROFIT CENTER: Improving Safety Boosts Profits 434

Management's Role in Safety 435

■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: The Supervisor's Role in Accident Prevention 435

A Manager's Briefing on Occupational Law 436

OSHA Inspections and Citations 437

OSHA Responsibilities and Rights of Employers and Employees 438

■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Free On-Site Safety and Health Services 439

**What Causes Accidents? 439**

Unsafe Working Conditions 439

Unsafe Acts 443

What Traits Characterize "Accident-Prone" People? 444

**How to Prevent Accidents 444**

Reduce Unsafe Conditions 444

Provide Personal Protective Equipment 445

■ TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA 446

Diversity Counts 446

Reduce Unsafe Acts 446

Screen to Reduce Unsafe Acts 446

Provide Safety Training 447

Use Posters, Incentives, and Positive Reinforcement 447

■ HR IN PRACTICE: Using Positive Reinforcement 447

Foster a Culture of Safety 448



- Establish a Safety Policy and Set Specific Loss Control Goals 448
- **TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA** 449
- Conduct Regular Safety and Health Inspections 449
- Organize a Safety Committee 449
- **HR IN PRACTICE: Safety at Saudi Petrol Chemical** 450

### Employee Engagement Guide for Managers 451

- Milliken & Company—World-Class Safety through Employee Engagement 451
- Involvement-Based Employee Engagement 451

### Workplace Health: Problems and Remedies 452

- Chemicals, Air Quality, and Industrial Hygiene 452
- **HR AND THE GIG ECONOMY: Temp Employee Safety** 453
- Alcoholism and Substance Abuse 454
- Job Stress and Burnout 455
- Computer Monitor and Ergonomic Health Problems and How to Avoid Them 457
- Infectious Diseases 458
- Workplace Smoking 458

### Occupational Security and Risk Management 459

- Enterprise Risk Management 459
- Preventing and Dealing with Violence at Work 459
- Setting Up a Basic Security Program 461
- Terrorism 462
- **HR PRACTICES AROUND THE GLOBE: Dealing with Terrorism Abroad** 463
- Emergency Plans and Business Continuity 463

### Review 464

- Summary 464 • Key Terms 464
- Discussion Questions 465 • Individual and Group Activities 465

### APPLICATION EXERCISES 466

- HR IN ACTION CASE INCIDENT 1: The Office Safety and Health Program 466
- HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 467

Experiential Exercise: How Safe Is My University? 467

## PART 6 SPECIAL TOPICS IN HUMAN RESOURCE MANAGEMENT 468

### Module A Managing HR Globally 468

#### HR and the Internationalization of Business 469

- The Human Resource Challenges of International Business 469
- **HR IN PRACTICE: Unionizing Walmart Stores in China** 469
- What Is International Human Resource Management? 470

How Intercountry Differences Affect Human Resource Management 470

### International Employee Selection Issues 472

- International Staffing: Home or Local? 472
- **HR AS A PROFIT CENTER: Reducing Expatriate Costs** 473
- Values and International Staffing Policy 474
- Special Tools for Selecting International Managers 474
- Diversity Counts: Sending Women Managers Abroad 475
- **TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA: JOB BOARDS ABROAD** 476
- How to Avoid Failed International Assignments 476

### Training and Maintaining International Employees 477

- Orienting and Training Employees on International Assignment 477
- Performance Appraisal of International Managers 477
- International Compensation 478
- **HR IN PRACTICE: Expat Pay at CEMEX** 479
- Safety and Fair Treatment Abroad 479
- **HR PRACTICES AROUND THE GLOBE: Business Travel** 479
- Repatriation: Problems and Solutions 480

### Managing HR Locally: How to Put a Global HR System into Practice 481

- Developing a More Effective Global HR System 481
- Making the Global HR System More Acceptable 482
- Implementing the Global HR System 482

### Review 483

- Summary 483 • Key Terms 483
- Discussion Questions 483

### APPLICATION EXERCISES 484

HR IN ACTION CASE INCIDENT 1: “Boss, I Think We Have a Problem” 484

## Module B

### Managing Human Resources in Small and Entrepreneurial Firms 485

#### The Small Business Challenge 486

- How Small Business Human Resource Management Is Different 486
- Why HRM Is Important to Small Businesses 487
- **HR AS A PROFIT CENTER: The Dealership** 487

#### Using Internet and Government Tools to Support the HR Effort 488

- Complying with Employment Laws 488
- Employment Planning, Recruiting, and Selection 490
- **TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA** 491
- Employment Selection 491
- Employment Training 492
- Employment Appraisal and Compensation 493
- Employment Safety and Health 493

#### Leveraging Small Size: Familiarity, Flexibility, Fairness, Informality, and HRM 493

- Simple, Informal Employee Selection Procedures 493
- Flexibility in Training 493
- Flexibility in Benefits and Rewards 495

Fairness and the Family Business    495

Using Professional Employer Organizations    496

**Managing HR Systems, Procedures, and Paperwork    497**

    Introduction    497

    Basic Components of Manual HR Systems    497

    Automating Individual HR Tasks    498

    Human Resource Information Systems (HRIS)    498

    HRIS Vendors    499

    HR and Intranets    499

■ **TRENDS SHAPING HR: DIGITAL AND SOCIAL MEDIA    499**

**Review    500**

Summary    500    •    Discussion Questions    501

**APPLICATION EXERCISES    501**

**HR IN ACTION CASE INCIDENT 1: Carter Cleaning Company: The New Pay Plan    501**

*Appendix    502*

*Glossary    514*

*References    523*

*Name Index    564*

*Subject Index    567*



# PREFACE

## New To This Edition

**Today managers**—not just HR managers—need a strong foundation in HR concepts and techniques like interviewing and appraising to do their jobs. You'll therefore find an emphasis here on practical material you need to perform your day-to-day management responsibilities, even if you never spend one day as a human resource manager.

At the heart of the book is the practical skills-oriented material woven into almost every paragraph—into the book's DNA—plus special “how-to” features.

HR management is changing fast. For example, Accenture Consultants estimates that social media tools like LinkedIn will soon produce up to 80% of new recruits.

New **Trends Shaping HR** features highlight how managers today accomplish their HR tasks.



### TRENDS SHAPING HR: Digital and Social Media

**USING LINKEDIN** Sometimes the easiest way to unearth job titles and duties is just to use social media like LinkedIn. For example, to paraphrase what someone who recruits for open positions in his company posted on LinkedIn: I hope some of you IT recruiters out there can help me to better understand what I need to put into the job descriptions that I'm writing for the developers and development managers I'm recruiting for. The first of many replies listed 12 tasks including: (1) Do technical skills match the desired job? (2) What technical problems were solved by the job seeker? and (3) Did job seeker know about Cloud Deployment?<sup>231</sup>



### TRENDS SHAPING HR: Digital and Social Media

**SOME SOCIAL MEDIA HR PROS AND CONS** Widespread use of social media presents challenges to employers. Some employees use Facebook-type accounts to bully coworkers. Here, employers must distinguish between illegal online harassment (applying to race, religion, national origin, age, sex/gender, genetic information, and disability discrimination) and common personality conflicts. Employers at least need a zero-tolerance policy on bullying.<sup>89</sup>

Of course, social media has been great for staffing. It's easy for employers to find applicants on LinkedIn, for instance. However, viewing an applicant's social media profile may reveal information on things like religion, race, and sexual orientation.<sup>90</sup> Some states therefore forbid employers from requesting employees' or applicants' passwords. At a minimum, implement policies restricting who can check out candidates online. Supervisors should generally not do such checking themselves.

About 25% of today's workers don't have "regular" jobs. Instead, they're independent or "gig" workers—that's about 60 million gig workers in the USA alone.

New **HR and the Gig Economy** features show how companies manage gig workers' HR needs, for example how to recruit, train, and manage the safety of gig workers.

## ■ HR and the Gig Economy

### Do Gig Workers Need Job Specifications?

Hiring gig workers doesn't mean the employer doesn't need job descriptions and job specifications. With respect to job descriptions, the prudent employer will still want to list at least the main duties it expects the worker to do. And job specifications are surely required, because the employer must ensure that the people doing its work at least fit certain minimum requirements.

For example, both Lyft and Uber list "driver requirements," which are essentially job specifications.<sup>46</sup> Although driver requirements vary somewhat by location, both Uber and Lyft require drivers to be at least 21, have a Social Security number and in-state driver's license (at least one year old), have in-state insurance, and undergo both DMV and national and county-wide background checks. For Uber, the background check also means for the past 7 years no DUI or drug-related offenses, or incidents of driving without insurance or license, or fatal accidents, or history of reckless driving, and no criminal history. And there are other requirements, including that your car pass muster. As a partial list, it must be a four-door sedan, seat four or more (excluding driver), be 2001 or newer, have in-state plates and be currently registered, and pass Uber's vehicle inspection.

### ★ Talk About It—2

If your professor has chosen to assign this, go to [www.pearson.com/mylab/management](http://www.pearson.com/mylab/management) to discuss the following questions. Based on your experience, what other human requirements would you say there are to be a good Uber or Lyft driver? Should the companies add these as requirements? Why?

## ■ HR and the Gig Economy<sup>108</sup>

### An Example: On-Demand Microlearning at Uber

If you think that all those Uber drivers simply get hired and go on the road with no formal training, you're wrong. There are hundreds of things those drivers must know about driving for Uber—from how to use the Uber app and driving systems, to how to greet and deal with customers—and Uber needs to train over 30,000 new drivers every week. How do they do it?

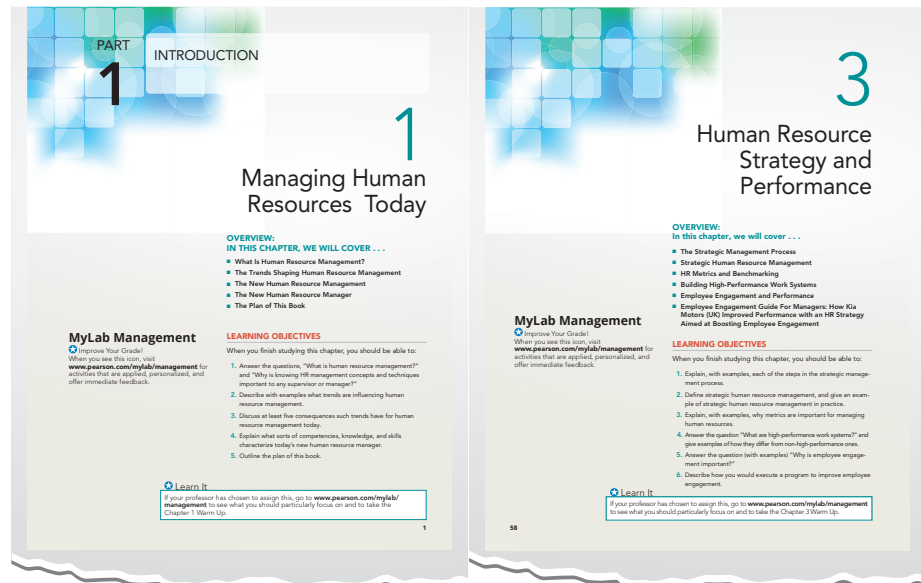
Uber's training challenge is actually similar to that of most firms that rely on gig workers. The main problems are (1) the trainees aren't permanent employees but largely just "passing through," so what you invest in their training must be carefully controlled; and (2) the workers are all working on their own schedules, so training must be available when each worker wants it, on demand.

So, the short answer to "how does Uber do it" is that driver training is online, on-demand, and delivered in microparcel. Uber uses a learning management system called MindFlash, which offers its clients around the globe thousands of courses, often focused on training gig workers like Uber's.<sup>109</sup> Among other benefits, the MindFlash system provides real-time reporting of trainees' results, so Uber knows if a driver is ready to go to work.

Building gig-friendly training programs like Uber's has several characteristics. The first and perhaps most crucial is that everyone involved—management, HR, and especially the gig workers themselves—submit detailed "blueprints" of the workers' daily activities, from which workers' (in this case drivers') duties, skills and knowledge, and required training can be ascertained. Then, the courses are split into short digestible microcourses, stored on the vendor's cloud, and delivered on demand to each worker's mobile device when he or she wants it.



**SHRM—the Society for Human Resource Management** administers a certification program for HR professionals. This 5th edition addresses SHRM's functional knowledge areas, with Knowledge Base icons call-outs and a SHRM knowledge overview and group activity questions in the accompanying MyLab Management.



## Solving Teaching and Learning Challenges

### A Focus on Building Your Management Skills

One of the best ways to get and keep a job is to show that you can do the job and do it well.

That's why every single edition of this book has had the same aim: to provide all managers—not just HR managers—with the practical skills and knowledge you need to perform your day-to-day management responsibilities. For example, you'll learn about:

#### Ch2: How to deal with a charge of discrimination

*... You turn down a member of a protected group for a job. This person believes he or she was discriminated against due to being in a protected class, and decides to sue ... What should you do?*

#### Ch 4: How to write a job description

*... A job description is a written statement of what the worker actually does, how he or she does it, and what the job's working conditions are. This information is in turn ...*

#### Ch 6: How to interview job candidates

*... First make sure you understand the job and its human requirements. Then compose questions based on actual job duties from the job description ... Examples include (1) situational questions like "Suppose you were giving a sales presentation and a difficult technical question arose ...*

#### Ch 12: How to discipline an employee

*... Make sure the evidence supports the charge of employee wrongdoing. (Arbitrators often cite "the employer's evidence did not support the charge.") ... Make sure to protect the employees' due process rights ...*

## Learn How to Build Employee Engagement

*Employee engagement* refers to being psychologically involved in, connected to, and committed to getting one's jobs done.

You'll find specific practical examples and advice on how managers build engaged employee work teams and companies.

*Employee Engagement Guide for Managers* sections in Chapters 1–14 show how managers use human resource activities to improve employee engagement.

For example, Chapter 3's show how Kia Motors (UK) improved Employee Engagement.

#### BUILDING YOUR MANAGEMENT SKILLS How to Execute an Employee Engagement Strategy



Actually executing Kia UK's employee engagement HR strategy involved six steps (and these provide a roadmap for any such endeavor). First, Kia UK set *measurable objectives* for the program. These objectives included improving by at least 10% survey feedback scores for line managers' behaviors, in terms of communication, the quality of appraisal feedback they gave their direct reports, the recognition of work done, and the respect between manager and employee.<sup>76</sup> Other objectives included reducing employee turnover employment costs (e.g., recruitment costs) by at least 10% per year.

Second, Kia UK held an extensive *leadership development* program. For example, they sent all managers for training to improve their management skills. They then tested the new skills with "360-degree" assessment tools (these basically meant having managers' bosses, peers, and subordinates rate the managers' new leadership skills).

Third, Kia UK instituted new *employee recognition programs*. These included, for instance, giving "Outstanding Awards" to selected employees quarterly, and "Kia thank you" cards for jobs well done.<sup>77</sup>

Fourth, Kia UK *improved internal communications*. For example, they instituted quarterly employee briefings, more extensive use of performance appraisals, and launched a new corporate intranet called Kia Vision (this provided key business information and other useful communications to all employees). Based on employee feedback, Kia UK also decided, as part of the enhanced communications, to institute an *employee forum*. This consisted of one representative from each department; the forum in effect empowered and involved employees by enabling them to express opinions, suggestions, and concerns about their jobs.

Fifth, they instituted a new *employee development program*. This involved using the company's appraisal process to identify employees' training needs. Kia then created training plans for each employee. They based these plans on Kia's needs and on the employee's stated career aspirations.

Sixth, Kia UK made a number of changes to its *compensation and other policies*. For instance, they eliminated bonuses and substituted fixed-rate percentage-based salary increases. They also rewrote the entire employee handbook and all HR policies and procedures "to ensure they were aligned with [Kia UK's new] cultural values."<sup>78</sup>

Unique to this book: New **HR and the Gig Economy** features show how to recruit, train, and manage the safety of gig workers.

And our unique **Strategy Model** helps provide you with a “big picture” view:

**Strategic human resource management** means formulating and executing human resource policies and practices that produce the employee competencies and behaviors the company needs to achieve its strategic aims.

Our model illustrates this idea and follows this three-step sequence:

- *Set* the firm’s strategic aims,
- *Pinpoint* the employee behaviors and skills we need to achieve these strategic aims, and then
- *Decide* what HR policies and practices will enable us to produce these necessary employee behaviors and skills.



## MyLab Management suggested activities

### Learn It

Students can be assigned the Chapter Warm-Up before coming to class. Assigning these questions ahead of time will hopefully help ensure that students come to class prepared.

#### ★ Learn It

If your professor has chosen to assign this, go to [www.pearson.com/mylab/management](http://www.pearson.com/mylab/management) to see what you should particularly focus on and to take the Chapter 1 Warm Up.

#### ★ Watch It

How does a company actually go about putting its human resource philosophy into action? If your professor has chosen to assign this, go to [www.pearson.com/mylab/management](http://www.pearson.com/mylab/management) to watch the video Patagonia Human Resource Management and then answer the questions to show what you would do in this situation.

### Watch It

Recommends a video clip that can be assigned to students for outside classroom viewing or for in-classroom use.

### Try It

Recommends a mini-simulation that can be assigned to students as an outside classroom activity or that can be done in the classroom.

#### ★ Try It

How would you do applying the concepts and skills you learned in this chapter? If your professor has chosen to assign this, go to [www.pearson.com/mylab/management](http://www.pearson.com/mylab/management) and complete the Human Resource Management simulation.

#### ★ Talk About It – 3

If your professor has chosen to assign this, go to [www.pearson.com/mylab/management](http://www.pearson.com/mylab/management) to discuss the following questions: Go to one or more sites like these. If you were a programming manager for a company, could you use the site to find and hire a new employee directly? If not, what else might you need?

### Talk About It

These are discussion-type questions that can be assigned as an activity within the classroom.

## Assisted-Graded Writing Questions

These are short essay questions that the students can complete as an assignment and submit to you, the professor, for grading.

### MyLab Management

If your instructor is using MyLab Management, go to [www.pearson.com/mylab/management](http://www.pearson.com/mylab/management) for Auto-graded writing questions as well as the following Assisted-graded writing questions:

- 1-16. How do today's HR managers deal with the trends and challenges shaping contemporary HR management?
- 1-17. Discuss some competencies HR managers need to deal with today's trends and challenges.

## MyLab Management

### Reach every student by pairing this text with MyLab Management

MyLab is the teaching and learning platform that empowers you to reach *every* student. By combining trusted author content with digital tools and a flexible platform, MyLab personalizes the learning experience and improves results for each student. Learn more about MyLab Management at [www.pearson.com/mylab/management](http://www.pearson.com/mylab/management).

**Deliver trusted content** You deserve teaching materials that meet your own high standards for your course. That's why we partner with highly respected authors to develop interactive content and course-specific resources that you can trust—and that keep your students engaged.

**Empower each learner** Each student learns at a different pace. Personalized learning pinpoints the precise areas where each student needs practice, giving all students the support they need—when and where they need it—to be successful.

**Teach your course your way** Your course is unique. So whether you'd like to build your own assignments, teach multiple sections, or set prerequisites, MyLab gives you the flexibility to easily create *your* course to fit *your* needs.

**Improve student results** When you teach with MyLab, student performance improves. That's why instructors have chosen MyLab for over 15 years, touching the lives of over 50 million students.

## Developing Employability Skills

**Trends Shaping HR: Digital and Social Media** Career sites make the inner workings of employers more transparent. Sites such as Glassdoor, CareerBliss, CareerLeak, and JobBite let members share insights into hundreds of thousands of specific employers, including specific company-by-company commentaries, salary reports, and CEO approval ratings . . . .

**HR as a Profit Center** contains actual examples of how human resource management practices add value by reducing costs or boosting revenues.

**HR and the Gig Economy** features show how companies manage gig workers' HR needs, for example, how to recruit, train, and manage the safety of gig workers

**HR Tools for Line Managers and Small Businesses** explains that many line managers and entrepreneurs are “on their own” when it comes to human resource management and describes work sampling tests and other straightforward HR tools that line managers and entrepreneurs can create and safely use to improve performance.



**Know Your Employment Law** features within each chapter discuss the practical implications of the employment laws that apply to that chapter's topics, such as the laws relating to recruitment (Chapter 5), selection (Chapter 6), and safety (Chapter 14).



**Diversity Counts** features provide practical insights for managing a diverse workforce, for instance, regarding gender bias in selection decisions, bias in performance appraisal, and “hidden” gender bias in some bonus plans.



**Improving Performance Through HRIS** are embedded features that demonstrate how managers use human resource technology to improve performance.



■ **HR Practices Around the Globe**

**Applying Equal Employment Law Abroad**

The Civil Rights Act of 1991 marked a big change in the geographic applicability of equal rights legislation. Congressional legislation generally only applies within U.S. territory unless specifically stated otherwise.<sup>85</sup> However, CRA 1991 specifically expanded coverage by amending the definition of “employee” in Title VII to mean a U.S. citizen employed in a foreign country by a U.S.-owned or controlled company.<sup>86</sup> At least theoretically, therefore, U.S. citizens now working overseas for U.S. companies enjoy the same equal employment opportunity protection as those working within U.S. borders. (Title VII does not apply to foreign operations not owned or controlled by a U.S. employer, however.)

However, two factors limit the widespread application of CRA 1991 abroad. First, there are numerous exclusions. For example, an employer need not comply with Title VII if compliance would cause the employer to violate the law of the host country (for instance, some foreign countries have statutes prohibiting women in management positions).<sup>87</sup>

Another problem is the practical difficulty of enforcing CRA 1991 abroad. For example, the EEOC investigator’s first duty in such a case is to analyze the finances and organizational structure of the respondent (employer). But in practice few investigators are trained for this duty, and no precise standards exist for such investigations.<sup>88</sup>

**HR Practices Around the Globe**

**Applying Equal Employment Law Abroad** Expanding abroad complicates complying with equal employment laws. For example, Dell announced big additions to its workforce in India. Are U.S. citizens working for Dell abroad covered by U.S. equal opportunity laws? In practice, the answer depends on U.S. laws, international treaties, and the laws of the host country.

**Instructor Teaching Resources**

This program comes with the following teaching resources.

Supplements available to instructors at <a href="http://www.pearsonhighered.com">www.pearsonhighered.com</a>	
Features of the Supplement	
<b>Instructor’s Manual</b> authored by Carol Heeter, Ivy Tech Community College	<ul style="list-style-type: none"><li>• Chapter-by-chapter summaries and interesting issues on related topics</li><li>• Additional assignments and activities not in the main book</li><li>• Teaching outlines</li><li>• Teaching tips</li><li>• Solutions to all questions and problems in the book</li></ul>
<b>Test Bank</b> authored by Susan Leshnower, Midland College	<p>More than 1,500 multiple-choice, true/false, short-answer, and graphing questions with these annotations:</p> <ul style="list-style-type: none"><li>• Difficulty level (1 for straight recall, 2 for some analysis, 3 for complex analysis)</li><li>• Type (Multiple-choice, true/false, short-answer, essay)</li><li>• Skill (Application or concept) that is needed to answer the question</li><li>• Learning outcome</li><li>• AACSB learning standard, where applicable (Written and Oral Communication; Ethical Understanding and Reasoning; Analytical Thinking; Information Technology; Interpersonal Relations and Teamwork; Diverse and Multicultural Work; Reflective Thinking; Application of Knowledge)</li></ul>
<b>Computerized TestGen</b>	<p>TestGen allows instructors to:</p> <ul style="list-style-type: none"><li>• Customize, save, and generate classroom tests</li><li>• Edit, add, or delete questions from the Test Item Files</li><li>• Analyze test results</li><li>• Organize a database of tests and student results.</li></ul>
<b>PowerPoints</b> authored by Dan Morrell, Middle Tennessee State University	<p>Slides include applicable graphs, tables, and equations in the textbook. PowerPoints meet accessibility standards for students with disabilities. Features include, but not limited to:</p> <ul style="list-style-type: none"><li>• Keyboard and Screen Reader access</li><li>• Alternative text for images</li><li>• High color contrast between background and foreground colors</li></ul>



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Readers worldwide use Gary Dessler's *Fundamentals of Human Resource Management*, *Human Resource Management*, and *Framework for Human Resource Management* in a total of more than 10 languages and international editions, including Russian, Spanish, French, Arabic, Thai, Greek, and Chinese. Dr. Dessler's other books include *Winning Commitment: How to Build and Keep a Competitive Workforce*, and *Management: Modern Principles and Practices for Tomorrow's Leaders*. He has published articles on employee commitment, leadership, supervision, human resource management practices in China, and quality improvement in journals including the *Academy of Management Executive*, *SAM Advanced Management Journal*, *Supervision*, *Personnel Journal*, and *International Journal of Service Management*.

Dr. Dessler served for many years as a Founding Professor in Florida International University's College of Business teaching courses in human resource management, strategic management, and management. For the past few years, he has focused on his textbook writing, research, and consulting and on giving lectures, seminars, and courses around the world on modern human resource management methods, maintaining positive employee relations and employee engagement, strategic management, leadership development, and talent management.

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