MANAGING
HUMAN RESOURCES
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Pearson
To my wife Ana, my three sons Luis Jr., Vince and Alex and my daughter Dulce
—L.R.G.M.

To my parents, Daniel and Jeanne
—D.B.B.

To my family for their endless support and to Todd Snider for the endless inspiration
—R.L.C.

To my wife Jean, to my children and their spouses, and to Kit and Atticus with love and gratitude.
—K.P.C.
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Preface

New to This Edition

Highlights of the changes to the ninth edition include the following:

- Most of the ‘Manager’s Notebook’ have been updated and new ones have been added.
- Most introductory vignettes are either new, substantially revised, or updated.
- New content on sexual harassment has been added in Chapters 3, 4, 6, and 16. The sexual harassment and misconduct policies sections has also been updated.
- More than 75 percent of the boxed features within the text have been replaced with new ones or have been substantially revised and updated.
- New You Manage It! cases at the end-of-chapter have been added to cover employability.
- New and updated content on important topics like Human Resource Information System (HRIS), use of social media, distinction between training and career development, mentoring employs, ethics, health and retirement benefits, technological changes affecting HR, protection of personal information, and the impact on HR of changes in trading policies and rising use of tariffs.

Detailed Chapter-by-Chapter Changes

Chapter 1, “Meeting Present and Emerging Strategic Human Resource Challenges,” has been updated to cover changes in the environment affecting HR practice (for instance, the “#MeToo movement”), technological changes affecting HR (for instance, how big data analytics is being used for making HR decisions), the protection of personal information (such as the recent case of Facebook), the increasing shift of HR responsibilities to line managers, the response to natural disasters from a HR perspective, and how organizations are grappling with filling critical jobs in a tight labor market. The chapter now includes new notebooks and cases dealing with these issues, and all prior notebooks and cases have been updated as needed.

Chapter 2, “Managing Work Flows and Conducting Job Analysis,” has new content that explains the advantages of college internships for students that can enhance their opportunities for employability after graduation. A new topic on HR Analytics describes how this emerging field within HR applies computer software with algorithms to automate processes for greater efficiency to recruiting, staffing, performance evaluation, career and succession planning. A new end-of-chapter case asks students to reflect on jobs that are likely to be vulnerable to automation and artificial intelligence (AI) in the future and think about what can be done to avoid being replaced by automation.

Chapter 3, “Understanding Equal Opportunity and the Legal Environment,” has been updated to add new content on recent sexual harassment cases and allegations that occurred in the entertainment industry between top executives and female employees and the repercussions from these events. New content has been added on the topic of age discrimination that now can be determined by the disparate impact criterion according to a recent Supreme Court case. A new end-of-chapter case questions whether the HR manager who learns about the sexual harassment can be even handed in providing a balanced perspective when a woman alleges she has been sexually harassed by a powerful company executive where a conflict of interest may cloud the judgment of the HR manager.

Chapter 4, “Managing Diversity,” has been updated to include new data on demographic profiles and trends, expanded coverage of work-related challenges facing various demographic groups, changes in federal immigration policies, employability of the 65 and older workforce which represents the fastest growing segment of the population, the “#MeToo movement” and a rising wave of sexual harassment allegations, the perils of office romance, and the rise of religious intolerance. New cases and notebooks have been added that deal with contemporary diversity issues.
Chapter 5, “Recruiting and Selecting Employees,” has been updated to reflect the current state of the job market in the United States, particularly the low unemployment rates. Some outdated content related to forecasting labor rates has been removed in light of the sophisticated tools that are now available to organizations, and a new section on Human Resource Information Systems (HRIS) has been added. The discussion of reliability and validity has been freshened to make it more accessible to students. A new Manager’s Notebook has been added focusing on the importance of building a reputation even as a student for future employability. New content has been added addressing the issues surrounding the use of social media in applicant screening. A new end-of-chapter case on Returnships asks students to consider the issues related to working with older employees who are returning to the workforce after extended absences for family or other reasons.

Chapter 6, “Managing Employee Separations, Downsizing, and Outplacement,” has been freshened to reflect the low unemployment rates which currently characterize the economy. Discussion has been added about the rise of contingent employment perhaps best exemplified by Uber. Finally, a new section on separation agreements exposes students to this phenomenon which is seemingly more prevalent, particularly in the context of sexual harassment cases.

Chapter 7, “Appraising and Managing Performance,” has a new introductory section which places discussion of the fundamental question quality management question about whether the person or the system is worth the most managerial attention. In addition, a new Manager’s Notebook feature asks students to consider the particularly difficult issue of managing difficult employees and provides advice about the same.

Chapter 8, “Training the Workforce,” includes a new Manager’s Notebook case on the implicit bias training undertaken by Starbucks in the aftermath of a racial incident between white employees and African-American customers which illustrates the importance of training efforts to organizational effectiveness. Chapter content has been re-organized for increased clarity. Also, a new Manager’s Notebook underscores the importance and use of internships in training.

Chapter 9, “Developing Careers,” has new content to further clarify the distinction between training and career development. A new Manager’s Notebook on Employability encourages students to use the services of their campus career services office and discusses some of the barriers to this goal. Content has been added on mentoring and the importance of employee’s taking the primary responsibility for managing their own careers. Finally, students are encouraged to use LinkedIn to establish a professional social media presence.

Chapter 10, “Managing Compensation,” has been thoroughly revised to update data on pay scales, provide expanded treatment of monetary and non-monetary rewards, offer new material on how companies respond to the demands of millennials, discuss recent changes in the application of job evaluation plans, explain how firms are trying to develop non-management career tracks, and discuss recent evidence on pay discrimination for women. New notebooks and cases have been added that deal with several of these issues.

Chapter 11, “Rewarding Performance,” offers expanded treatment of pay for performance plans, use of a combination of monetary and non-monetary rewards, discusses dangers in the use of incentives as potential promoters of unethical behaviors, how organizations try to fit rewards to an employee’s career cycle, and the importance of providing continuous feedback to enhance performance. New notebooks and cases have been added that deal with several of these issues.

Chapter 12, “Designing and Administering Benefits,” has been thoroughly revised to include the latest information covering health and retirement benefits including new information on the Patient and Affordable Care Act (PACA). New content is available on the point of service (POS) health plan that shares some features of the health maintenance organization (HMO) and the preferred provider organization (PPO). New content is provided on a cutting edge benefit that should be of great interest for students and consists of financial assistance for employees to pay off their student loans provided by funds from employers to help employees get out of student loan debt. A new end-of-chapter case explains the features of Walmart’s newly implemented paid parental leave policy that illustrates how some companies are starting to offer paid parental leave to employees with the newborn infants despite the fact that no federal law offers this benefit in the U.S.

Chapter 13, “Developing Employee Relations,” offers new content on employment practices that encourage having fun in the workplace which facilitates employees to experience higher
levels of creativity and engagement. A new end-of-chapter case describes employee relations at Costco, a large retail company, which has implemented a successful and profitable business model that puts a higher priority on treating employees well over financial goals.

Chapter 14, “Respecting Employee Rights and Managing Discipline,” provides expanded content on company drug testing practices in light of the fact that many states have recently enacted laws that allow for the use of medical marijuana and several states also permit its use for recreational purposes. New content explains the use of a performance improvement plan (PIP) which gives a low performing employee, prior to discharge, an opportunity to improve performance and be retained by meeting formally documented performance goals. A new end-of-chapter case discusses ways that legacy drug testing policies in companies can be revised to accommodate an employee who has a legitimate reason to use medical marijuana.

Chapter 15, “Working with Organized Labor,” contains updated information on the percentage of the workforce that is unionized in the United States and other countries. New content is provided in the opening vignette that explains the reasons for a recent outbreak of strikes of public school teachers in five states during 2018. A recent Supreme Court ruling is discussed that allows public employees to avoid paying fees to the union and the impact of this ruling on union bargaining power. A new end-of-chapter case discusses the public school teacher strikes in five states in 2018 and the reason why the teachers were successful in attaining their objectives.

Chapter 16, “Managing Workplace Safety and Health,” includes updated content on safety regulations and examples of corporate safety violations. Discussion about the trends in data from the Bureau of Labor Statistics has been altered to account for newly available information. Most importantly, an entire new section on managerial responsibilities in relation to sexual harassment has been added. This material discusses responsibilities related to prevention, as well as the duties connected to responding to charges of sexual harassment in the workplace. This material connects students to the “#MeToo” movement which has gathered so much deserving attention.

Chapter 17, “International HRM Challenges,” has been updated by discussing the impact on HR of changes in trading policies and rising use of tariffs, offering an expanded treatment of outsourcing, discussing the role of ever improving web based translators on HR practices, providing an expanded treatment of advantages and disadvantages of hiring expatriates, discussing the challenges that women face as expatriates, and analyzing how changes in federal regulations affect the recruitment and treatment of “guest workers.” New notebooks and end-of-chapter cases dealing with global HR issues have been added to this new edition.

Solving Teaching and Learning Challenges

Human resource management services and decisions in recent years have been increasingly re-purposed away from functional Human Resource Management specialists located in corporate functional silos. Instead human resource management practices are more likely to be developed and decisions to be made closer to where the actual work is taking place in order to be delivered to where it is needed with high agility and effectiveness. The students studying this course want to understand these roles and ways in which they can deliver actual services to the employees in the workplace. This approach strengthens HR’s alignment with the goals and strategies of the business and depends on having actors who are more engaged in delivering HR services: line managers, supervisors, team leaders, and self-managed teams. While studying this course a student faces challenges like understanding the variety of issues that a manager confronts daily. This makes it imperative for the student to find ways in which he/she is able to effectively implant the conceptual material to such situations.

Managing Human Resources, 9th edition focuses on the delivery of HR services to actual employees in the workplace with the intent of making faster and higher quality HR decisions aligned with business goals. Our approach used in this text includes the end-of-chapter cases, extended examples found in boxed content, and discussion questions that gives the students a realistic view of HR as it is actually practiced in business organizations and should prepare them to be more employable managers, supervisors, and team leaders with valuable HR knowledge. ‘The Manager’s Notebook’ and ‘You Manage It!’ cases are specifically designed to help the students understand the different situations a HR manager is in when taking important decisions by providing examples to students that help them apply their conceptual knowledge to such situations.
You Manage It! Cases

These chapter end cases help the student to make the conceptual metrical discussion come to life. For each case there are critical thinking questions, team exercises, and experiential exercises for the students to apply the concepts they have learnt.

This feature also includes topics like Employability, Customer-Driven HR, Ethics/Social Responsibility, Global, and Emerging Trends.
To improve student results, we recommend pairing the text content with MyLab Management, which 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 will help your students learn and retain key course concepts while developing skills that future employers are seeking in their candidates. From Videos Exercises to Personal Inventory Assessments, MyLab Management helps you teach your course, your way. Learn more at www.pearson.com/mylab/management.

**Chapter Warm Ups**
The Chapter Warm Up assessment helps you hold students accountable for learning key concepts in each chapter before coming to class. Students can be assigned the Chapter Warm Up before coming to class. Assigning these questions ahead of time will ensure that students are coming to class prepared.

**Chapter Quizzes**
A powerful tool used to assess your students understanding of the chapter learning objective after studying the chapter. Students can be assigned these quizzes to test the knowledge they gained for the respective topic.

**Personal Inventory Assessments**
Personal Inventory Assessments is a collection of online exercises designed to promote self-reflection and engagement in students. It enhances their ability to connect with concepts taught in principles of management, organizational behavior, and human resource management classes.

This exercise helps students develop professionalism and awareness of themselves and others, so they can learn the necessary skills for your future career.
Developing Employability Skills

This text prepares all future managers with a business understanding of the need for human resource management skills. Since the first edition of Managing Human Resources was published, the general management perspective has become more prevalent among practicing managers. Recent environmental and organizational forces have contributed greatly to this trend. Organizations are becoming flatter. Globalized operations have become the norm for most organizations once they reach a certain size, and now one often finds that even firms with fewer than 50 employees may be engaged in cross-border activities. Organizations face great pressure to demonstrate social responsibility and to engage in sustainable practices. In addition to greater diversity at home, this trend requires that managers be prepared to work effectively with people with backgrounds very different from their own. Technology such as the Internet fosters communication among all levels of personnel, and managers are expected to be generalists, with a broad set of skills, including human resource management (HRM) skills.

The below employability skills table provides students with a guide to features that support the development of skills employers are looking for in today’s business graduates, helping students to see from the start of class the relevance of the course to their career goals. This table identifies which features and end-of-chapter materials will help students to develop these skills.

<table>
<thead>
<tr>
<th>Employability Skills Table</th>
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<tbody>
<tr>
<td>Skills</td>
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<td>Written and oral communication</td>
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<td>Ethics</td>
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<td>Information technology skills</td>
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Instructor Teaching Resources

This program comes with the following teaching resources:

<table>
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<tr>
<th>Supplements available to instructors at <a href="http://www.pearsonhighered.com/irc">www.pearsonhighered.com/irc</a></th>
<th>Features of the Supplement</th>
</tr>
</thead>
</table>
| **Instructor’s Resource Manual** | • Teaching Notes  
  • Teaching Outline  
  • Solutions to all questions and problems in the book |
| **Test Bank** | 2,000 multiple-choice, true/false, and short-answer questions with these annotations:  
  • Difficulty level (1 for straight recall, 2 for some analysis, 3 for complex analysis)  
  • Applicable Skill  
  • AACSB learning standard (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)  
  • Learning Objective |
| **Computerized TestGen©** | TestGen allows instructors to:  
  • Customize, save, and generate classroom tests  
  • Edit, add, or delete questions from the Test Item Files  
  • Analyze test results  
  • Organize a database of tests and student results. |
| **PowerPoints** | PowerPoints meet accessibility standards for students with disabilities. Features include, but not limited to:  
  • Keyboard and Screen Reader access  
  • Alternative text for images  
  • High color contrast between background and foreground colors |
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