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Fundamentals of Human Resource Management

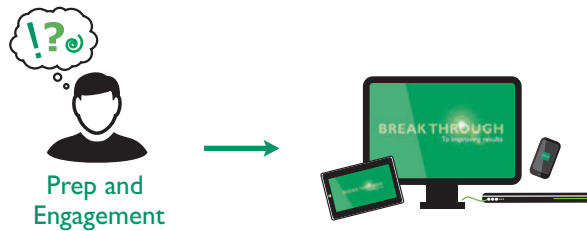
FOURTH EDITION

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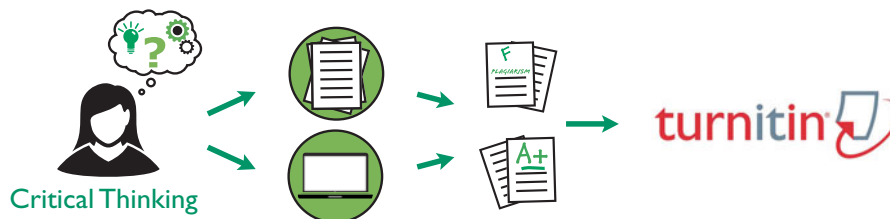
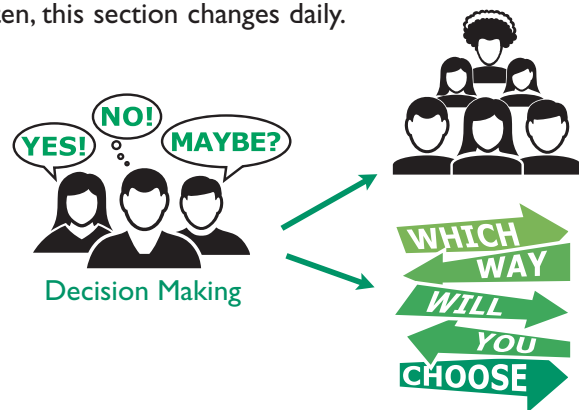
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HR Strategy Model



The HR Strategy Model in the Part opens 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.*

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Gary Dessler

Florida International University

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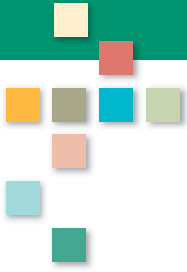
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Brief Contents

PART 1 Introduction 33

- Chapter 1 Managing Human Resources Today 33
- Chapter 2 Managing Equal Opportunity and Diversity 56
- Chapter 3 Human Resource Strategy and Analysis 86

PART 2 Staffing: Workforce Planning and Employment 113

- Chapter 4 Job Analysis and Talent Management 114
- Chapter 5 Personnel Planning and Recruiting 146
- Chapter 6 Selecting Employees 180

PART 3 Training and Human Resource Development 221

- Chapter 7 Training and Developing Employees 222
- Chapter 8 Performance Management and Appraisal 255
- Chapter 9 Managing Careers 282

PART 4 Compensation and Total Rewards 319

- Chapter 10 Developing Compensation Plans 320
- Chapter 11 Pay for Performance and Employee Benefits 354

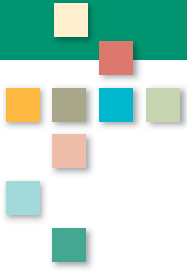
PART 5 Employee and Labor Relations 389

- Chapter 12 Maintaining Positive Employee Relations 390
- Chapter 13 Labor Relations and Collective Bargaining 417
- Chapter 14 Improving Occupational Safety, Health, and Risk Management 449

PART 6 Special Issues In Human Resource Management 483

- Module A Managing HR Globally 483
- Module B Managing Human Resources in Small and Entrepreneurial Firms 500

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Contents

Preface 25
Acknowledgments 30
About the Author 31

PART 1 Introduction 33

Chapter 1 Managing Human Resources Today 33

What Is Human Resource Management? 34

Why Is Human Resource Management Important to All Managers? 35
Line and Staff Aspects of HRM 36
Line versus Staff Authority 36
Line Managers' Human Resource Management Responsibilities 36
The Human Resource Department 37

The Trends Shaping Human Resource Management 38

Workforce Diversity Trends 38
Technology and Workforce Trends 39
■ **HR AS A PROFIT CENTER: Boosting Customer Service** 41
Globalization and Competition 41
Economic Challenges 41
Economic and Workforce Projections 42

Consequences for Today's Human Resource Managers 43

HR and Performance 44
HR and Performance and Sustainability 45
HR and Employee Engagement 45
HR and the Manager's Human Resource Philosophy 45
■ **HR IN PRACTICE: SAS and Google Put Their HR Philosophies into Practice** 47
HR and Strategy 47
Sustainability and Strategic Human Resource Management 48
HR and Human Resource Competencies 48
HR and the Manager's Skills 48
The Human Resource Manager's Competencies 49
HR and Ethics 50
HRCI Certification 50

The Plan of this Book 50

The Chapters 50

Review 51

Summary 51 • Key Terms 52 • Discussion Questions 52
• Individual and Group Activities 53

Application Exercises 53

■ **HR IN ACTION CASE INCIDENT 1: Jack Nelson's Problem** 53
■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 54

Experiential Exercise 55

Chapter 2 Managing Equal Opportunity and Diversity 56

Equal Employment Opportunity Laws 57

Background 57
Equal Pay Act of 1963 57
Title VII of the 1964 Civil Rights Act 57
Executive Orders 58
Age Discrimination in Employment Act of 1967 58

Vocational Rehabilitation Act of 1973 58
 Pregnancy Discrimination Act of 1978 58
 Federal Agency Uniform Guidelines on Employee Selection Procedures 58
 Selected Court Decisions regarding Equal Employment Opportunity (EEO) 59
 The Civil Rights Act of 1991 59
 The Americans with Disabilities Act 60
 Uniformed Services Employment and Reemployment Rights Act 61
 Genetic Information Nondiscrimination Act of 2008 61
 State and Local Equal Employment Opportunity Laws 62
 Religious and Other Types of Discrimination 62
 ■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES** 63
 Sexual Harassment 64
 Diversity Counts 66
 ■ **HR PRACTICES AROUND THE GLOBE: Applying Equal Employment Law Abroad** 67
 Social Media and HR 67
 Summary 67
 Recent Trends in Discrimination Law 68

Defenses against Discrimination Allegations 68

The Central Role of Adverse Impact 69
 ■ **KNOW YOUR EMPLOYMENT LAW: Dealing with a Charge of Discrimination** 71
 Bona Fide Occupational Qualification 71
 Business Necessity 72

Illustrative Discriminatory Employment Practices 72

■ **BUILDING YOUR MANAGEMENT SKILLS: Discrimination Law—Knowing What You Can and Cannot Do** 73

The EEOC Enforcement Process 75

Processing a Discrimination Charge 75
 Voluntary Mediation 75
 Mandatory Arbitration of Discrimination Claims 77

Diversity Management and Affirmative Action 77

Diversity's Barriers and Benefits 77
 ■ **HR AS A PROFIT CENTER: How diversity drives higher profits** 79
 Managing Diversity 79
 Equal Employment Opportunity versus Affirmative Action 80
 Reverse Discrimination 80

Review 81

Summary 81 • Key Terms 81 • Discussion Questions 82
 • Individual and Group Activities 82

Application Exercises 83

■ **HR IN ACTION CASE INCIDENT 1: The Emiratization of HRM Practices at a Petroleum Company** 83
 ■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 84

Experiential Exercise 84

Chapter 3 Human Resource Strategy and Analysis 86

The Strategic Management Process 87

■ **HR PRACTICES AROUND THE GLOBE: The Shanghai Portman's New Human Resource Management Strategy** 87
 The Basic Management Planning Process 88
 What Is Strategic Planning? 89
 The Strategic Management Process 89
 Types of Strategies 92
 Managers' Roles in Strategic Planning 94

Strategic Human Resource Management 94

What Is Strategic Human Resource Management? 94
 ■ **HR IN PRACTICE: The Zappos "WOW" Way** 96
 Strategic Human Resource Management Tools 96
 Improving Performance through HRIS 98

HR Metrics and Benchmarking 99

- Types of Metrics 99
- Benchmarking 100
- Strategy and Strategy-Based Metrics 100
- Workforce/Talent Analytics and Data Mining 100
- **HR AS A PROFIT CENTER: Using Workforce/Talent Analytics** 101
- Using HR Audits 102
- Evidence-Based HR and the Scientific Way of Doing Things 103
- **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES** 104

Building High-Performance Work Systems 104

- High-Performance Human Resource Policies and Practices 104

Employee Engagement and Organizational Performance 105

- Why Is Employee Engagement Important? 105
- The Employee Engagement Problem 106
- What Can Managers Do to Improve Employee Engagement? 106
- How to Measure Employee Engagement 107

Employee Engagement Guide for Managers 107

- How Kia Motors (UK) Improved Performance with an HR Strategy Aimed at Boosting Employee Engagement 107
- The Challenges 107
- The New Human Resource Management Strategy 108
- **BUILDING YOUR MANAGEMENT SKILLS: How to Execute an Employee Engagement Strategy** 108
- The Results 108

Review 109

- Summary 109 • Key Terms 110 • Discussion Questions 110
- Individual and Group Activities 110

Application Exercises 111

- **HR IN ACTION CASE INCIDENT 1: Siemens Builds a Strategy-Oriented HR System** 111
- **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 112

Experiential Exercise 112

PART 2 Staffing: Workforce Planning and Employment 113**Chapter 4 Job Analysis and Talent Management 114****The Talent Management Process 115**

- Improving Performance through HRIS 116

The Basics of Job Analysis 116

- What Is Job Analysis? 116
- Uses of Job Analysis Information 117
- Steps in Job Analysis 118
- **HR AS A PROFIT CENTER: Boosting Productivity through Work Redesign** 119

Methods for Collecting Job Analysis Information 120

- The Interview 120
- **BUILDING YOUR MANAGEMENT SKILLS: Interviewing Guidelines** 121
- Questionnaires 122
- Observation 122
- Participant Diary/Logs 122
- Quantitative Job Analysis Techniques: The Position Analysis Questionnaire (PAQ) 122
- Electronic Job Analysis Methods 126

Writing Job Descriptions 126

- Job Identification 126
- Job Summary 128
- Relationships 129
- Responsibilities and Duties 129
- **BUILDING YOUR MANAGEMENT SKILLS: Determining the Job's Duties** 129
- Social Media and HR 130

- **KNOW YOUR EMPLOYMENT LAW: Writing Job Descriptions That Comply with the ADA** 130
- Standards of Performance and Working Conditions 131
- **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Using O*NET** 132

Writing Job Specifications 134

- Specifications for Trained versus Untrained Personnel 135
- Specifications Based on Judgment 135
- Job Specifications Based on Statistical Analysis 135
- The Job-Requirements Matrix 136

Employee Engagement Guide for Managers 136

- The Employee Engagement Manager’s Job Description 136
- Job Specifications and Employee Engagement 136
- The Employee Engagement Manager’s Job Description 136

Using Competencies Models 138

- **HR PRACTICES AROUND THE GLOBE: Daimler Alabama Example** 139
- How to Write Competencies Statements 140

Review 141

- Summary 141 • Key Terms 142 • Discussion Questions 142
- Individual and Group Activities 143

Application Exercises 143

- **HR IN ACTION CASE INCIDENT 1: Recruiting In Europe** 143
- **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 144

Experiential Exercise 144

Chapter 5 Personnel Planning and Recruiting 146

Workforce Planning and Forecasting 147

- Strategy and Workforce Planning 148
- Forecasting Personnel Needs (Labor Demand) 149
- Improving Performance through HRIS 151
- Forecasting the Supply of Inside Candidates 151
- Forecasting the Supply of Outside Candidates 153
- Predictive Workforce and Talent Management 153
- **HR PRACTICES AROUND THE GLOBE: Predicting Labor Needs** 154
- **BUILDING YOUR MANAGEMENT SKILLS: Developing an Action Plan to Match Projected Labor Supply and Labor Demand** 154

Why Effective Recruiting Is Important 155

- The Recruiting Yield Pyramid 155
- Developing the Brand 156
- **KNOW YOUR EMPLOYMENT LAW: Preemployment Activities** 156

Internal Sources of Candidates 156

Finding Internal Candidates 157

Employee Engagement Guide for Managers 157

Internal Recruitment and Promotion-from-Within 157

Outside Sources of Candidates 158

- Informal Recruiting and the Hidden Job Market 158
- Recruiting via the Internet 158
- Social Media and HR 159
- Improving Performance through HRIS 160
- Advertising 161
- Employment Agencies 162
- Temporary Workers and Alternative Staffing 163
- **KNOW YOUR EMPLOYMENT LAW: Contract Employees** 164
- Offshoring and Outsourcing Jobs 165
- Executive Recruiters 165
- **BUILDING YOUR MANAGEMENT SKILLS: Working with Recruiters** 166
- **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Recruiting 101** 166
- Referrals and Walk-Ins 167

- On-Demand Recruiting Services 168
- College Recruiting 168
- Telecommuters 169
- Military Personnel 169
- BUILDING YOUR MANAGEMENT SKILLS: How to Improve the Recruitment Effort 170
- HR AS A PROFIT CENTER: Cutting Recruitment Costs 170

Recruiting a More Diverse Workforce 171

- Recruiting Women 171
- Recruiting Single Parents 171
- Older Workers 171
- Diversity Counts 172
- Recruiting Minorities 172
- The Disabled 173

Developing and Using Application Forms 173

- Purpose of Application Forms 173
- BUILDING YOUR MANAGEMENT SKILLS: HR Tools for Line Managers and Entrepreneurs 173
- KNOW YOUR EMPLOYMENT LAW: Application Forms and EEO Law 175
- KNOW YOUR EMPLOYMENT LAW: Mandatory Arbitration 175

Review 176

- Summary 176 • Key Terms 177 • Discussion Questions 177
- Individual and Group Activities 177

Application Exercises 178

- HR IN ACTION CASE INCIDENT 1: Ya Kun Kaya International 178
- HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 179

Experiential Exercise 179

Chapter 6 Selecting Employees 180

The Basics of Testing and Selecting Employees 181

- Why Careful Selection Is Important 181
- Reliability 182
- Validity 182
- How to Validate a Test 183
- HR AS A PROFIT CENTER: Reducing Turnover at KeyBank 184
- KNOW YOUR EMPLOYMENT LAW: Testing and Equal Employment Opportunity 185
- BUILDING YOUR MANAGEMENT SKILLS: Protecting Employees' Individual Rights and Test Privacy 185

Types of Tests 186

- Tests of Cognitive Abilities 187
- Tests of Motor and Physical Abilities 187
- Measuring Personality 187
- Achievement Tests 189
- HR PRACTICES AROUND THE GLOBE: Testing for Assignments Abroad 189
- Computerized and Online Testing 190
- Improving Performance through HRIS 190
- Work Samples and Simulations 191
- Situational Judgment Tests 191
- Management Assessment Centers 191
- Video-Based Situational Testing 192
- The Miniature Job Training and Evaluation Approach 192
- HR IN PRACTICE: Selecting Employees at Honda's New Car Plant 192
- Computerized Multimedia Candidate Assessment Tools 192
- HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Employee Testing and Selection 193

Interviewing Candidates 193

- Types of Selection Interviews 193
- Improving Performance through HRIS 197

Diversity Counts	197
How Useful Are Interviews?	198
How to Avoid Common Interviewing Mistakes	198
■ BUILDING YOUR MANAGEMENT SKILLS: How to Conduct an Effective Interview	200
■ KNOW YOUR EMPLOYMENT LAW: Interviewing Candidates	201
Using Competencies Models and Profiles in Employee Interviews	201
Using Other Selection Techniques	203
Background Investigations and Reference Checks	203
■ KNOW YOUR EMPLOYMENT LAW: Giving References	205
■ BUILDING YOUR MANAGEMENT SKILLS: How to Obtain More Useful Reference Information	205
Social Media and HR	206
Honesty Testing	206
■ BUILDING YOUR MANAGEMENT SKILLS: How to Spot Dishonesty	208
Graphology	209
■ HR AS A PROFIT CENTER: Using Integrity Tests	209
Medical Exams	209
Drug Screening	209
Realistic Job Previews	210
Tapping Friends and Acquaintances	210
Making the Selection Decision	210
How Useful Are Testing and Selection Devices?	210
Complying with Immigration Law	211
Improving Performance through HRIS	211
Developing and Extending the Job Offer	211
Employee Engagement Guide for Managers	212
Building Engagement: A Total Selection Program	213
The Toyota Way	213
Review	214
Summary	214
• Key Terms	215
• Discussion Questions	215
• Individual and Group Activities	216
Application Exercises	216
■ HR IN ACTION CASE INCIDENT 1: Ethics and the Out-of-Control Interview	216
■ HR IN ACTION CASE INCIDENT 2: Honesty Testing at Carter Cleaning Company	217
Experiential Exercise	218
Appendix: The Structured Situational Interview	219

PART 3 Training and Human Resource Development 221

Chapter 7 Training and Developing Employees 222

Orienting/Onboarding New Employees 223

The Purposes of Employee Orientation/Onboarding 223

The Orientation Process 223

■ KNOW YOUR EMPLOYMENT LAW: The Employee Handbook 225

Employee Engagement Guide for Managers: Onboarding at Toyota 225

Overview of the Training Process 226

■ KNOW YOUR EMPLOYMENT LAW: Training and the Law 226

Aligning Strategy and Training 226

■ HR AS A PROFIT CENTER: The Training Program That Turned Macy's Around 227

The ADDIE Five-Step Training Process 227

Conducting the Training Needs Analysis 227

Designing the Training Program 230

■ BUILDING YOUR MANAGEMENT SKILLS: How to Motivate the Trainee 231

Developing the Program 232

Implementing the Training Program 232

On-the-Job Training 232

Apprenticeship Training 233

Informal Learning 233

Job Instruction Training	234
Lectures	234
Programmed Learning	234
Behavior Modeling	235
Audiovisual-Based Training	235
Vestibule Training	235
Electronic Performance Support Systems (EPSS)	235
Videoconferencing	235
Computer-Based Training (CBT)	236
Simulated Learning	236
Improving Performance through HRIS	236
The Virtual Classroom	237
Mobile Learning	238
Social Media and HR	238
Lifelong and Literacy Training Techniques	238
Diversity Training	239
■ HR IN PRACTICE: Diversity Training at ABC Virtual Communications, Inc.	239
Team Training	239
■ BUILDING YOUR MANAGEMENT SKILLS: HR Tools for Line Managers and Small Businesses	240

Implementing Management Development Programs 241

Strategy's Role in Management Development	241
Succession Planning	241
Improving Performance through HRIS	242
Managerial On-the-Job Training	243
■ HR PRACTICES AROUND THE GLOBE: Global Job Rotation	243
Off-the-Job Management Training and Development Techniques	244
Leadership Development at GE	246
Talent Management and Differential Development Assignments	246

Managing Organizational Change Programs 246

■ BUILDING YOUR MANAGEMENT SKILLS: How to Bring About a Change at Work	247
Using Organizational Development	247

Evaluating the Training Effort 248

Designing the Study	248
Training Effects to Measure	248

Review 250

Summary	250	•	Key Terms	251	•	Discussion Questions	251
•	Individual and Group Activities	252					

Application Exercises 252

■ HR IN ACTION CASE INCIDENT 1: The Mentorship Program at TVH	252
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company: The New Training Program	253

Experiential Exercise	254
-----------------------	-----

Chapter 8 Performance Management and Appraisal 255

Basic Concepts in Performance Appraisal 256

Steps in Performance Appraisal	256
Why Appraise Performance?	256
Defining the Employee's Performance Standards	257
■ HR AS A PROFIT CENTER: Setting Performance Goals at Ball Corporation	258
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: How to Set Effective Goals	258
Who Should Do the Appraising?	259
Social Media and HR	261

Appraisal Methods 261

Graphic Rating Scale Method	261
Alternation Ranking Method	263
Paired Comparison Method	263

- Forced Distribution Method 263
- Critical Incident Method 266
- Behaviorally Anchored Rating Scales 266
- Appraisal Forms in Practice 266
- The Management by Objectives Method 266
- Improving Performance through HRIS 267
- Virtual Appraisal Games 268
- Electronic Performance Monitoring 268
- Talent Management and Employee Appraisal 268
- Conversation Days 269

How to Deal with Performance Appraisal Problems and the Appraisal Interview 270

- BUILDING YOUR SKILLS: How to Make Sure the Appraisal Is Fair 270
- Clarify Standards 270
- Avoid Halo Effect Ratings 271
- Avoid the Middle 271
- Don't Be Lenient or Strict 272
- Diversity Counts 272
- KNOW YOUR EMPLOYMENT LAW: Appraising Performance 273
- BUILDING YOUR MANAGEMENT SKILLS: How to Conduct the Appraisal Interview 273

Employee Engagement Guide for Managers: Use the Appraisal Interview to Build Engagement 275

Performance Management 276

- Total Quality Management and Performance Appraisal 276
- What Is Performance Management? 276
- Using Information Technology to Support Performance Management 277
- HR PRACTICES AROUND THE GLOBE: Performance Management at General Dynamics Armament Systems (GDAS) 277
- The Manager's Role in Performance Management 278

Review 278

- Summary 278 • Key Terms 279 • Discussion Questions 279
- Individual and Group Activities 279

Application Exercises 280

- HR IN ACTION CASE INCIDENT 1: Appraising the Secretaries at Sweetwater U 280
- HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company 281

Experiential Exercise 281

Chapter 9 Managing Careers 282

Career Management 283

- Careers Today 283
- Psychological Contract 284
- The Employee's Role in Career Management 284
- The Employer's Role in Career Management 285
- HR IN PRACTICE: Intuit's Job Rotation Program 286
- Employer Career Management Methods 286
- Diversity Counts 288
- HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: The Manager's Role in Employee Career Development 288

Improving Coaching Skills 290

- BUILDING YOUR MANAGEMENT SKILLS: How to Be an Effective Coach 290
- Being a Better Mentor 290
- Improving Performance through HRIS 292

Employee Engagement Guide for Managers 292

- Career Management 292
- The New Psychological Contract 292
- Commitment-Oriented Career Development Efforts 293
- HR IN PRACTICE: Career Development at Medtronic 294

Managing Employee Retention and Turnover	294
■ HR AS A PROFIT CENTER: Costs of Turnover	295
Managing Voluntary Turnover	295
Retention Strategies for Reducing Voluntary Turnover	296
A Comprehensive Approach to Retaining Employees	297
Social Media and HR	298
■ HR PRACTICES AROUND THE GLOBE: IBM's New Workforce	298
Job Withdrawal	298
Managing Promotions and Transfers	299
■ KNOW YOUR EMPLOYMENT LAW: Establish Clear Guidelines for Managing Promotions	299
Decision 1: Is Seniority or Competence the Rule?	300
Decision 2: How Should We Measure Competence?	300
Decision 3: Is the Process Formal or Informal?	301
Decision 4: Vertical, Horizontal, or Other?	301
Diversity Counts	301
Managing Transfers	302
Managing Retirements	302
Managing Dismissals	303
■ KNOW YOUR EMPLOYMENT LAW: Termination at Will	303
Grounds for Dismissal	304
Avoiding Wrongful Discharge Suits	305
Supervisor Liability	305
■ BUILDING YOUR MANAGEMENT SKILLS: Managing the Termination Interview	306
Layoffs and the Plant Closing Law	307
Adjusting to Downsizings and Mergers	308
Review	308
Summary	308
• Key Terms	309
• Discussion Questions	309
• Individual and Group Activities	309
Application Exercises	310
■ HR IN ACTION CASE INCIDENT 1: Goelectrix	310
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	311
Experiential Exercise	311
Appendix: Managing Your Career and Finding a Job	312

PART 4 Compensation and Total Rewards 319

Chapter 10 Developing Compensation Plans 320

The Basic Factors in Determining Pay Rates	321
Aligning Total Rewards with Strategy	321
Equity and Its Impact on Pay Rates	321
Legal Considerations in Compensation	322
■ KNOW YOUR EMPLOYMENT LAW: The Independent Contractor	324
Union Influences on Compensation Decisions	326
Pay Policies	327
■ HR AS A PROFIT CENTER: Wegmans Foods	327
■ HR PRACTICES AROUND THE GLOBE: Compensating Expatriate Employees	328
Job Evaluation Methods	328
What Is Job Evaluation?	328
Salary Surveys	329
Compensable Factors	330
Preparing for the Job Evaluation	330
Job Evaluation Methods: Ranking	331
■ BUILDING YOUR MANAGEMENT SKILLS: How to Create a Pay Scale for a Company by Using the Job Ranking Job Evaluation Method	331
Job Evaluation Methods: Job Classification	333
Job Evaluation Methods: Point Method	333

Wage Curves 334
 Pay Grades 334
 Rate Ranges and the Wage Structure 334
 Computerized Job Evaluations 335
 ■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Developing a Workable Pay Plan** 336

Pricing Managerial and Professional Jobs 337

Compensating Executives and Managers 337
 What Determines Executive Pay? 337
 Compensating Professional Employees 338
 Improving Performance through HRIS 339

Contemporary Topics in Compensation 339

Competency-Based Pay 339
 ■ **HR IN PRACTICE: JLG's Skill-Based Pay Program** 340
 Broadbanding 340
 Comparable Worth 341
 Diversity Counts 342
 Board Oversight of Executive Pay 342

Employee Engagement Guide for Managers 343

Total Rewards Programs 343
 Total Rewards and Employee Engagement 343

Review 344

Summary 344 • Key Terms 345 • Discussion Questions 345
 • Individual and Group Activities 345

Application Exercises 346

■ **HR IN ACTION CASE INCIDENT 1: Salary Inequities at AstraZeneca** 346
 ■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 347

Experiential Exercise 347

Appendix: How to Create a Market-Competitive Pay Plan Using the Point Plan Job Evaluation Method 348

Chapter 11 Pay for Performance and Employee Benefits 354

Individual Employee Incentive Plans 355

Individual Incentive Plans: Piecework Plans 355
 Employee Incentives and the Law 355
 Merit Pay as an Incentive 356
 Incentives for Professional Employees 356
 Nonfinancial and Recognition-Based Awards 357
 ■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES** 357
 Social Media and HR 358
 Job Design 358
 ■ **HR IN PRACTICE: Using Financial and Nonfinancial Incentives in a Fast-Food Chain** 358
 Incentives for Salespeople 359
 ■ **BUILDING YOUR MANAGEMENT SKILLS: How to Build an Effective Sales Incentive Plan** 360
 Incentives for Managers and Executives 360
 Short-Term Managerial Incentives and the Annual Bonus 361
 Executives' Strategic Long-Term Incentives 361

Team and Organization-Wide Incentive Plans 363

How to Design Team Incentives 363
 Profit-Sharing Plans 363
 Gainsharing Plans 364
 At-Risk Pay Plans 364
 Employee Stock Ownership Plans 364

Benefits and Services: The Benefits Picture Today 365

Pay for Time Not Worked and Insurance Benefits 366

Unemployment Insurance 366
 ■ **BUILDING YOUR MANAGEMENT SKILLS: How to Control Unemployment Claims** 366

Vacations and Holidays	367
■ KNOW YOUR EMPLOYMENT LAW: Some Legal Aspects of Vacations and Holidays	367
Sick Leave	368
Social Media and HR	368
■ HR AS A PROFIT CENTER: Cutting Absences at the Driver and Vehicle Licensing Agency	368
Parental Leaves and the Family and Medical Leave Act	369
■ KNOW YOUR EMPLOYMENT LAW: Parental Leave Legal Issues	369
Severance Pay	369
Supplemental Unemployment Benefits	370
Insurance Benefits	370
Workers' Compensation	370
Hospitalization, Health, and Disability Insurance	371
■ KNOW YOUR EMPLOYMENT LAW: Patient Protection and Affordable Care Act of 2010	372
Tools for Employer Health Care Cost Control	373
■ HR AS A PROFIT CENTER: The Doctor Is on the Phone	375
Long-Term Care	375
Life Insurance	376
Benefits for Part-Time and Contingent Workers	376
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Benefits and Employee Leasing	376
Retirement and Other Benefits	377
Social Security	377
Pension Plans	377
■ KNOW YOUR EMPLOYMENT LAW: Pension Planning and the Law	378
Pensions and Early Retirement	378
Improving Performance through HRIS	379
Personal Services and Family-Friendly Benefits	379
Personal Services	379
Family-Friendly (Work–Life) Benefits	379
Other Job-Related Benefits	380
Diversity Counts	380
Executive Perquisites	380
Flexible Benefits Programs	380
■ HR AS A PROFIT CENTER: NES Rentals Holdings, Inc.	381
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: “Costless” Small-Business–Friendly Benefits	382
Employee Engagement Guide for Managers	383
Costco’s Compensation Plan	383
Review	384
Summary	384
• Key Terms	385
• Discussion Questions	386
• Individual and Group Activities	386
Application Exercises	387
■ HR IN ACTION CASE INCIDENT 1: Striking for Benefits	387
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	387
Experiential Exercise	388

PART 5 Employee and Labor Relations 389

Chapter 12 Maintaining Positive Employee Relations 390

Employee Relations 391

Employee Relations Programs for Building and Maintaining Positive Employee Relations 391

Ensuring Fair Treatment 391

■ HR PRACTICES AROUND THE GLOBE: The Foxconn Plant in Shenzhen, China 393

Improving Employee Relations through Communications Programs 394

Develop Employee Recognition/Relations Programs 395

Use Employee Involvement Programs 395

Social Media and HR 396

■ **HR IN PRACTICE: The Cost-Effective Suggestion System** 397

The Ethical Organization 397

Ethics and Employee Rights 397

What Shapes Ethical Behavior at Work? 397

The Person (What Makes Bad Apples?) 398

Which Ethical Situations Make for Ethically Dangerous (Bad Cases) Situations? 398

What Are the “Bad Barrels”?—The Outside Factors That Mold Ethical Choices 398

Steps Managers Take to Create More Ethical Environments 399

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Small Business Ethics** 401

■ **KNOW YOUR EMPLOYMENT LAW: Electronic Monitoring** 403

■ **HR AS A PROFIT CENTER: Monitoring and Profits** 404

Managing Employee Discipline 404

The Three Pillars of Fair Discipline 405

Diversity Counts 406

■ **BUILDING YOUR MANAGEMENT SKILLS: How to Discipline an Employee** 406

Discipline without Punishment 407

Employee Engagement Guide for Managers 408

How Companies Become “Best Companies to Work For” 408

The “Best Companies to Work For” 408

SAS: Great Benefits, Trust, and Work-Life Balance 408

Google: Happiness and People Analytics 409

FedEx: Guaranteed Fair Treatment 409

A “Best Company” Human Resource Philosophy 411

Review 412

Summary 412 • Key Terms 412 • Discussion Questions 413

• Individual and Group Activities 413

Application Exercises 414

■ **HR IN ACTION CASE INCIDENT 1: Enron, Ethics, and Organizational Culture** 414

■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 415

Experiential Exercise 415

Ethics Quiz Answers 416

Chapter 13 Labor Relations and Collective Bargaining 417

The Labor Movement 418

Why Do Workers Organize? 418

Employee Engagement Guide for Managers: Employee Engagement and Unionization 419

What Do Unions Want? 419

The AFL-CIO and the SEIU 420

Unions and the Law 421

Period of Strong Encouragement: The Norris-LaGuardia Act (1932) and the National Labor Relations Act (1935) 421

Period of Modified Encouragement Coupled with Regulation: The Taft-Hartley Act (1947) 422

Period of Detailed Regulation of Internal Union Affairs: The Landrum-Griffin Act (1959) 423

Social Media and HR 424

The Union Drive and Election 424

Step 1: Initial Contact 424

Improving Performance through HRIS 426

Step 2: Authorization Cards 426

Step 3: The Hearing 427

Step 4: The Campaign 427

■ **BUILDING YOUR MANAGEMENT SKILLS: What Supervisors Can and Cannot Do** 428

■ **KNOW YOUR EMPLOYMENT LAW: Rules Regarding Literature and Solicitation** 428

- **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: What to Do When the Union Comes Calling** 429
- Step 5: The Election 430
- How to Lose an NLRB Election 431
- **HR PRACTICES AROUND THE GLOBE: France Comes to the Workers' Aid** 431
- The Collective Bargaining Process** 432
- What Is Collective Bargaining? 432
- What Is Good-Faith Bargaining? 432
- The Negotiating Team 432
- **HR AS A PROFIT CENTER: Costing the Contract** 433
- Bargaining Items 433
- Bargaining Stages 433
- **BUILDING YOUR MANAGEMENT SKILLS: How to Negotiate** 435
- Impasses, Mediation, and Strikes 435
- The Contract Agreement 438
- Contract Administration: Dealing with Grievances 439
- **BUILDING YOUR MANAGEMENT SKILLS: Guidelines for Handling a Grievance** 440

What's Next for Unions? 441

- Why the Union Decline? 441
- What Are Unions Doing About It? 441
- Cooperative Clauses 442
- **HR IN PRACTICE: Labor-Management Cooperation and Works Councils in America** 443
- Strategies for Cooperative Labor–Management Relations 443

Review 444

- Summary 444 • Key Terms 444 • Discussion Questions 445
- Individual and Group Activities 445

Application Exercises 446

- **HR IN ACTION CASE INCIDENT 1: Negotiating with the Writers Guild of America** 446
- **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 447

Experiential Exercise 447

Chapter 14 Improving Occupational Safety, Health, and Risk Management 449

Employee Safety and Health: An Introduction 450

- Why Safety Is Important 450
- **HR AS A PROFIT CENTER: Improving Safety Boosts Profits** 450
- Management's Role in Safety 450
- **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: The Supervisor's Role in Accident Prevention** 451
- A Manager's Briefing on Occupational Law 451
- OSHA Inspections and Citations 452
- OSHA Responsibilities and Rights of Employers and Employees 454
- **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Free On-Site Safety and Health Services** 454

What Causes Accidents? 456

- Unsafe Working Conditions 456
- Unsafe Acts 457
- What Traits Characterize "Accident-Prone" People? 457

How to Prevent Accidents 457

- Reduce Unsafe Conditions 457
- **BUILDING YOUR MANAGEMENT SKILLS: Checklist of Mechanical or Physical Accident-Causing Conditions** 460
- Provide Personal Protective Equipment 462
- Diversity Counts 462
- Reduce Unsafe Acts 463
- Screen to Reduce Unsafe Acts 463

Provide Safety Training	463
Improving Performance through HRIS	463
Use Posters, Incentives, and Positive Reinforcement	464
■ HR IN PRACTICE: Using Positive Reinforcement	464
Foster a Culture of Safety	465
Establish a Safety Policy	465
Set Specific Loss Control Goals	465
Conduct Regular Safety and Health Inspections	465
Organize a Safety Committee	466
■ HR IN PRACTICE: Safety at Saudi Petrol Chemical	467
Employee Engagement Guide for Managers	467
Milliken & Company—World-Class Safety through Employee Engagement	467
The Milliken Safety Program	467
Workplace Health: Problems and Remedies	468
Chemicals, Air Quality, and Industrial Hygiene	468
■ KNOW YOUR EMPLOYMENT LAW: Hazard Communication	469
Alcoholism and Substance Abuse	469
Job Stress and Burnout	471
Computer Monitor and Ergonomic Health Problems and How to Avoid Them	472
Infectious Diseases	473
Workplace Smoking	473
Occupational Security and Risk Management	474
Enterprise Risk Management	474
Preventing and Dealing with Violence at Work	474
■ BUILDING YOUR MANAGEMENT SKILLS: Guidelines for Firing a High-Risk Employee	476
Setting Up a Basic Security Program	476
Emergency Plans and Business Continuity	477
Social Media and HR	477
Terrorism	478
■ HR PRACTICES AROUND THE GLOBE: Dealing with Terrorism Abroad	478
Review	479
Summary	479
• Key Terms	479
• Discussion Questions	479
• Individual and Group Activities	480
Application Exercises	480
■ HR IN ACTION CASE INCIDENT 1: The Office Safety and Health Program	480
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	481
Experiential Exercise	482

PART 6 Special Issues In Human Resource Management 483

Module A Managing HR Globally 483

HR and the Internationalization of Business	484
The Human Resource Challenges of International Business	484
What Is International Human Resource Management?	485
How Intercountry Differences Affect Human Resource Management	485
International Employee Selection Issues	487
International Staffing: Home or Local?	487
■ HR AS A PROFIT CENTER: Reducing Expatriate Costs	488
Values and International Staffing Policy	489
Special Tools for Selecting International Managers	490
Diversity Counts	490
Social Media and HR	491
How to Avoid Failed International Assignments	491
Training and Maintaining International Employees	492
Orienting and Training Employees on International Assignment	492

- Performance Appraisal of International Managers 493
- International Compensation 493
- **HR IN PRACTICE: Expat Pay at CEMEX** 493
- Safety and Fair Treatment Abroad 494
- Repatriation: Problems and Solutions 494

Managing HR Globally 495

- How to Put a Global HR System into Practice 495
- Developing a More Effective Global HR System 496
- Making the Global HR System More Acceptable 496
- Implementing the Global HR System 496

Review 497

- Summary 497 • Key Terms 497 • Discussion Questions 498

Application Exercises 498

- **HR IN ACTION CASE INCIDENT 1: “Boss, I Think We Have a Problem”** 498

Module B Managing Human Resources in Small and Entrepreneurial Firms 500

The Small Business Challenge 501

- How Small Business Human Resource Management Is Different 501
- Why HRM Is Important to Small Businesses 502
- **HR AS A PROFIT CENTER: The Dealership** 502

Using Internet and Government Tools to Support the HR Effort 503

- Complying with Employment Laws 503
- Employment Planning, Recruiting, and Selection 505
- Social Media and HR 505
- Employment Training 506
- Employment Appraisal and Compensation 506
- Employment Safety and Health 507

Leveraging Small Size: Familiarity, Flexibility, Fairness, Informality, and HRM 507

- Simple, Informal Employee Selection Procedures 507
- Flexibility in Training 507
- Flexibility in Benefits and Rewards 508
- Fairness and the Family Business 509
- Using Professional Employer Organizations 510

Managing HR Systems, Procedures, and Paperwork 510

- Introduction 510
- Basic Components of Manual HR Systems 511
- Automating Individual HR Tasks 512

Human Resource Information Systems (HRIS) 512

- HRIS Vendors 512
- HR and Intranets 512

Review 513

- Summary 513 • Discussion Questions 514

Application Exercises 514

- **HR IN ACTION CASE INCIDENT 1: Carter Cleaning Company: The New Pay Plan** 514

Appendix A: PHR® and SPHR® Knowledge Base 515

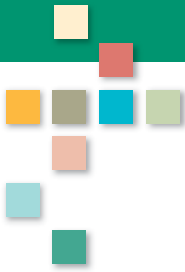
Appendix B: Comprehensive Cases 524

Glossary 535

Name/Organization Index 543

Subject Index 552

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Preface

Fundamentals of Human Resource Management, 4th edition, covers the full range of human resource management topics in a streamlined 14-chapter format. As this fourth edition goes to press, I feel even more strongly than I did when the first edition was published that all managers—not just human resource managers—need a strong foundation in human resource management concepts and techniques to do their jobs. I therefore wrote *Fundamentals* for all students of management, not just those who will someday carry the title Human Resource Manager and, in this new edition, added more practical techniques and real company examples. With 14 comprehensive chapters covering all major HRCI (SHRM) topics, and two end-of-book modules, I wrote this book to compete with 16-chapter introductory *Human Resource Management* textbooks, as well as with books titled *Fundamentals of Human Resource Management*.

This 4th edition has several distinguishing characteristics. While it again focuses almost entirely on essential personnel management topics like job analysis, testing, compensation, and appraisal, *fostering employee engagement* is used as an integrating theme throughout the chapters. **Employee Engagement Guide for Managers** features show how managers use human resource practices to boost employee engagement. Practical skills applications—such as how to appraise performance, how to establish a simple pay plan, and how to handle grievances—are used throughout to provide students with important management skills. Because all managers have personnel-related responsibilities, *Fundamentals of Human Resource Management*, 4th edition, is, as noted, aimed at all students of management, not just those who will someday carry the title Human Resource Manager. **Building Your Management Skills** features highlight managerial HR skills. The legal environment of human resource management—equal employment, labor relations, and occupational safety—is covered fully, with practical chapter-specific implications for managers in **Know Your Employment Law** features in most chapters. A continuing case illustrates the front-line supervisor’s role in human resource management. Chapter 12 shows how “Best Companies to Work For” actually cultivate positive employee relations. Knowledge Base icons flag topics addressed by the HR Certification Institute’s PHR® and SPHR® Knowledge Base.

THE REVISION

In revising this textbook, I of course wanted to update the chapters and include all the changes while ensuring that the switch by adopters from the 3rd to the 4th edition would be hassle free. So, for example, numbered questions in the boxed features and separate “A-head” *Employee Engagement Guide for Managers* sections allow adopters to choose (if they so desire) which features they want to assign. The book’s main new items include:

New: Employee Engagement Guide for Managers

Employee engagement refers to being psychologically involved in, connected to, and committed to getting one’s jobs done. Recent surveys show that about 70% of employees are disengaged at work. I use new *Employee Engagement Guide for Managers* sections in Chapters 3–14 to show how managers use human resource activities to improve employee engagement. For example, Chapter 3’s Guide shows how Kia Motors (UK) improved employee engagement, Chapter 6’s Guide shows how Toyota uses a total selection program to improve engagement, and Chapter 12’s Guide shows how “Great Companies to Work For” like Google and SAS develop the positive employee relations that help foster employee engagement.

New: Building Your Management Skills

Building Your Management Skills features throughout the book help to show students and managers how to apply what they’ve learned, such as how to conduct an effective

employment interview, create an actual pay scale/pay plan for a company, and discipline an employee.

New: Know Your Employment Law

The new *Know Your Employment Law* sections in most chapters show 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), training (Chapter 7), and safety (Chapter 14).

New: HR in Practice Company Illustrations

You'll find many more actual company examples in this edition. The 3rd edition had several boxed *HR in Practice* features; I added more of these in this 4th edition, to show how companies such as Zappos (strategic HR management) and Honda (selecting employees) actually implement their HR practices.

New: Building Positive Employee Relations

Employee relations is the managerial activity that involves establishing and maintaining the positive employee–employer relationships that contribute to satisfactory productivity, motivation, morale, and discipline, and to maintaining a positive, productive, and cohesive work environment. Most human resource management survey books include Employee Relations as a section heading or chapter heading, but usually don't show how managers actually develop and maintain positive employee relations. I expanded Chapter 12 (Maintaining Positive Employee Relations) to do so.

New: Sustainability and HRM

In a world where sea levels are rising, glaciers are crumbling, and increasing numbers of people view financial inequity as outrageous, more and more people say that businesses can't just measure "performance" in terms of maximizing profits. This 4th edition contains all-new material on sustainability and on the roles of HR management in implementing companies' sustainability efforts.

New: Treatment of Global HR, and Small Business HR Management

In the previous 3rd edition, two end-of-book modules, *Managing HR Globally*, and *Managing Human Resources in Small and Entrepreneurial Firms*, contained most of the material on global human resource management, and on small business human resource management. In this new 4th edition, I moved much of the global HR material from the *Managing HR Globally* module to new *Managing HR around the Globe* boxed features throughout the book, and similarly moved much of the small business HR management material from the small business module to new *HR Tools for Line Managers and Small Businesses* boxed features throughout the book. The two modules remain in the 4th edition, but now focus more on strictly supportive and supplementary material, such as how international cultural differences influence global human resource management.

MYMANAGEMENTLAB SUGGESTED ACTIVITIES

For the 4th edition the author is excited that Pearson's MyManagementLab® has been integrated fully into the text. These new features are outlined below. Making assessment activities available on line for students to complete before coming to class will allow you the professor more discussion time during the class to review areas that students are having difficulty in comprehending.

Learn It

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.

Watch It

Recommends a video clip that can be assigned to students for outside classroom viewing or that can be watched in the classroom. The video corresponds to the chapter material and is accompanied by multiple choice questions that reinforce student's comprehension of the chapter content.

Try It

Recommends a mini simulation that can be assigned to students as an outside classroom activity or it can be done in the classroom. As the students watch the simulation they will be asked to make choices based on the scenario presented in the simulation. At the end of the simulation the student will receive immediate feedback based on the answers they gave. These simulations reinforce the concepts of the chapter and the students comprehension of those concepts.

Talk About It

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

Assisted-Graded Writing Questions

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

FEATURES CONTINUED FROM PREVIOUS EDITION

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

Social Media and HR features in each chapter demonstrate how employers use social media to improve their human resource processes.

Improving Performance through HRIS features demonstrate how managers use human resource technology to improve performance.

HR as a Profit Center features provide actual examples of human resource management practices that cut costs and improve performance.

Strategic Human Resource Management: Chapter 1 introduces and Chapter 3 presents the concepts and techniques of human resource strategy. Each Part opener contains a continuing model that shows how those chapters' HR policies and practices produce the employee skills and behaviors that a company needs to improve its performance.

SUMMARY OF NEW MATERIAL IN EACH CHAPTER

In addition to updating all chapters and adding the new features¹ described above to most chapters, here is a brief summary of some of the other new or expanded material in each chapter.

Chapter 1: Introduction: Reorganized and rewrote parts of this chapter. Added new material on economic and workforce projections. New material on HR and employee engagement. New material on HR and performance and sustainability. New material on employee relations. New SAS and Google in practice examples. New material on Sustainability and Strategic Human Resource Management.

¹Chapter features include Employee Engagement Guide for Managers, HR Tools for Line Managers and Small Businesses, HR Practices Around the Globe, Building Your Management Skills, Social Media and HR, Diversity Counts, HR in Practice, and Improving Performance through HRIS.

Chapter 2: Managing equal opportunity and diversity: New *Diversity Counts* material on sexual harassment. New *HR Management Tools for Line Managers and Small Businesses* feature. New section on recent trends in discrimination law.

Chapter 3: Human resource strategy and analysis: Rewrote first section. New in-practice material on Zappos. Added new section on employee engagement and organizational performance, including how to foster engagement. New *HR Tools for Line Managers and Small Businesses* feature. New *Employee Engagement Guide for Managers* and *Building Your Management Skills* features describing Kia Motors (UK) employee engagement improvement program.

Chapter 4: Job analysis and talent management: Rewrote several sections. New *Employee Engagement Guide for Managers* material on job analysis and employee engagement, with sample job description for an employee engagement manager.

Chapter 5: Personnel planning and recruiting: Rewrote several sections. New *Building Your Management Skills* feature. New *Employee Engagement Guide for Managers* section on internal recruitment and promotion from within. New *Social Media and HR* feature. Revised section on recruiting a more diverse workforce.

Chapter 6: Selecting employees: Rewrote several sections. New *HR Tools for Line Managers and Small Businesses* feature. New *Building Your Management Skills* feature on how to conduct an effective interview. New *Employee Engagement Guide for Managers* section on Toyota's total selection program.

Chapter 7: Training and developing employees: New *Employee Engagement Guide for Managers* on Toyota's employee assimilation process. *Building Your Management Skills* section on motivating trainees. New *HR Tools for Line Managers and Small Businesses* on creating your own training program.

Chapter 8: Performance management and appraisal: Rewrote several sections of this chapter. New *Employee Engagement Guide for Managers* section on improving engagement through employee appraisal.

Chapter 9: Managing careers: (Third edition Chapter 9 title was Managing Employee Retention, Engagement, and Careers.) Rewrote and reorganized this chapter to focus more on employee career management issues. Removed most of the 3rd edition's employee engagement material, because this new 4th edition now has employee engagement sections in most chapters. New in-practice material on career development at Medtronic.

Chapter 10: Developing compensation plans: Moved the detailed multi-step section on how to create a market-competitive pay plan to a new Chapter 10 appendix and substituted an outline of the process in the body of the chapter, for instructors who want the flexibility to cover just the new outline with their classes. New *HR Practices around the Globe* feature on compensating expatriate employees. New *Building Your Management Skills* section on how to create a pay scale for a company. New *HR Tools for Line Managers and Small Businesses* feature on developing a workable pay plan. New in-practice feature on one company's skill-based pay program.

Chapter 11: Pay for performance and employee benefits: Rewrote several sections including nonfinancial and recognition-based awards. New *HR Tools for Line Managers and Small Businesses* feature on financial and other incentives. *HR in Practice* feature and how to use financial and nonfinancial incentives in a fast food chain. New *Building Your Management Skills* feature on sales incentives. Added *Know Your Employment Law* section on the Patient Protection and Affordable Care Act. *HR Tools for Line Managers and Small Businesses* on employee leasing. New *HR Tools for Line Managers and Small Businesses* feature on work life and retirement benefits for small businesses. New *Employee Engagement Guide for Managers* on Costco's compensation plan.

Chapter 12: Maintaining positive employee relations: (Third edition's Chapter 12 was titled Ethics, Employee Relations, and Fair Treatment at Work.) Rewrote and reorganized this chapter, to focus more on employee relations. Reduced and re-wrote coverage of employee ethics, while increasing coverage of employee relations and employee engagement. New feature on *HR Tools for Line Managers and Small Businesses*—ethics program for a small business. New *Employee Engagement Guide for Managers* section on employee relations and employee engagement at “Best Companies to Work For” including SAS, FedEx, and Google.

Chapter 13: Labor relations and collective bargaining: New *Employee Engagement Guide for Managers* on employee engagement and unionization. New section on labor law today. New *HR Tools for Line Managers and Small Businesses* on how to deal with a union-organizing effort. New *HR around the Globe*. New *HR in Practice* feature on the recent unionization effort at the Volkswagen plant outside Chattanooga, Tennessee.

Chapter 14. Improving occupational safety, health, and risk management: New *HR Tools for Line Managers and Small Businesses* on OSHA's on-site safety and health services. New *Employee Engagement Guide for Managers* on Milliken and company's world-class safety through employee engagement program.

Module A: Managing HR globally: Moved much of the 3rd edition's applied material from this module to the *HR around the Globe* features in the chapters.

Module B: Managing human resources in small and entrepreneurial firms: Moved much of the 3rd edition's applied material from this module to the new *HR Tools for Line Managers and Small Businesses* features in chapters.

INSTRUCTOR RESOURCES

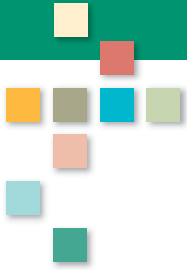
At the Instructor Resource Center, www.pearsonglobaleditions.com/Dessler, instructors can easily register to gain access to a variety of instructor resources available with this text in downloadable format. If assistance is needed, our dedicated technical support team is ready to help with the media supplements that accompany this text. Visit <http://247.pearsoned.com> for answers to frequently asked questions and toll-free user support phone numbers.

The following supplements are available with this text:

- Instructor's Resource Manual
- Test Bank
- TestGen® Computerized Test Bank
- PowerPoint Presentation

2015 Qualitative Business Video Library

Additional videos illustrating the most important subject topics are available in MyManagementLab, under the Instructor Resources: Business Today.



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