

# Human Resource Management

TENTH EDITION



**Robert L. Mathis | John H. Jackson**

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TO

Jo Ann Mathis  
who manages me

R. D. and M. M. Jackson  
who were successful managers of people for many years

# Preface

*"The future has suddenly and dramatically become the present."*

—R. Babson

Organizations today face many challenges in the management of their human resources. Every week brings news media reports on organization downsizing, workforce diversity, shortages of skilled workers, and other concerns. The purpose of this book is to provide a current understanding of developments in the field of human resource (HR) management.

The authors of this book are gratified that this text is a leader in the field of HR management. The changes made in this edition are designed to keep it the standard against which other books in the field are compared. It is a standard for academics in educating students taking HR classes or those needing HR knowledge as part of other professional degree programs. It is a standard for HR professionals using it to review their HR knowledge in the pursuit of HR professional certifications.

The tenth edition of the book builds on successful past editions. At the same time, it incorporates a significant number of changes to maintain its leadership position. In the most thorough revision possible of this text, the authors evaluated every line and word of content from the previous edition, integrating valuable new information. Past users and readers will see that the tenth edition is the most current and readable HR text available.

There are a number of reasons for someone to read this book. Some readers will be current or future HR professionals, and for them, the book covers the body of HR knowledge faced in organizations regularly. However, other individuals will read the book while enrolled in HR or other management-related courses in a number of disciplines and fields. It is likely that these readers will not become HR generalists or specialists. But everyone who works in any organization will face HR issues and be confronted

with HR management decisions with major consequences for every organization. Throughout the book, a feature entitled "Typical Division of HR Responsibilities" describes typical ways HR responsibilities are shared by HR specialists and operating managers and supervisors.

Another important audience for the book is composed of practicing HR professionals. Previous editions of the book aided hundreds of HR professionals in enhancing their knowledge and preparing for professional exams to become PHR or SPHR certified by the Human Resource Certification Institute (HRCI). This edition will continue to be valuable to HR professionals, and the authors made conscious efforts to provide content coverage of the topics in the HRCI certification exams. Specifically for those individuals, Appendix A reproduces the test specifications identified by HRCI when it released its most recent revised content outline.

## In the Tenth Edition

This edition continues some features highly regarded in past editions, but readers will find some new ones as well. A few of the latter are noted next.

### West Group HR Advisor on the Web

An important addition to the tenth edition is the West Group HR Advisor on the Web. As an industry leader in providing information to HR professionals, West Group produces and sells HR Advisor on the Web to thousands of HR practitioners. Through a cooperative arrangement, every instructor and purchaser of the new text will receive an individualized access code to all of the HR Advisor content at the West Group Web site. Details are in the booklet inside the front cover of the each copy of the tenth edition. On the HR Advisor readers will be able to read current analyses of HR issues, view sample HR policies in more than 70 areas, obtain compliance instructions, download numerous sample HR forms,



and review background details on many topics that expand or supplement the coverage in the tenth edition. Also, individuals can subscribe to *HR Wire*, an Internet-provided newsletter that regularly covers current “hot topics,” court decisions, and timely policy and practice information. To tie in the West Group content throughout the book, all chapters contain several specific West Group item notations as a margin feature, and directions for linking to the HR Advisor on the Web content in the designated area.

## **Internet**

As the Internet becomes an increasingly valuable tool for HR professionals, it affects a number of HR activities. To incorporate more Internet links, this edition adds or expands several features. First, throughout the text the *Logging On* feature identifies Web sites that contain useful sources of HR information in specific content areas. Most of these links are new to the tenth edition, and each contains a specific World Wide Web address active at the publication time of this text. Second, within most chapters a new feature, e-HR, describes the impact of the Internet on how HR management is practiced or raises HR issues prompted by employee use of the Internet in organizations. Third, an end-of-chapter feature, *Using the Internet*, presents an exercise in which students respond to typical HR situations or managerial requests with the help of a designated Internet site. Finally, where appropriate, references from Web addresses are cited in the chapter notes.

## **Human Resource Management, Tenth Edition Web Site**

At a dedicated Web site just for the tenth edition, instructors and students will find useful tools and additional resources to enrich and extend textbook presentations. Instructors will find downloadable ancillary materials. Students and other readers can locate other resources, such as quick links to a number of useful items, at <http://mathis.swcollege.com>.

Included on the Web site are listings of HR literature, resources, and important organizations. Also, the Web site contains Web addresses for a variety of electronic newsletters from some leading consulting firms that provide HR content. Most of these newsletters can be subscribed to at no cost. Accessing these newsletters provides timely information on

current HR events, court decisions, studies, and other areas.

## **Organization of the Tenth Edition**

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The organization of the tenth edition reflects significant changes from the previous edition. Throughout the text a number of key modifications include the following features.

### **HR Resources and Research Updated**

To address the rapid changes within HR management, the authors used the most current references, with more than 90% of the references dated year 2000 or later. The few remaining references from the previous edition are classic research or conceptual articles, significant court decisions, or other timeless content. Interestingly, a comparative analysis of other HR text reveals that more than half of their resource citations were more than five years old when those books were released. The authors take pride in their efforts to include virtually all new resources and references to meet the commitment of providing the most current HR text.

### **HR's Strategic Contribution to Organizational Effectiveness**

This text stresses how HR professionals and the activities they direct contribute to the strategic business success of organizations. The first chapter looks at the roles of HR management, particularly the importance of the *strategic* role of HR management. Chapter 2 addresses strategic human resource planning, the strategic factors affecting HR, how to evaluate the effectiveness of HR management, and the use of human resource information systems (HRIS).

### **Individual Performance and Employee Retention**

In the competitive world of today, organizations require individuals who perform well and remain as employees. After a revised discussion of motivation, Chapter 3 contains extensive content on employee retention. No other general HR text provides comparable coverage of retention to that contained in the tenth edition.

## **Equal Employment and Affirmative Action**

Major revisions made in Chapters 4 and 5 cover equal employment opportunity (EEO). As suggested by reviewers, Chapter 4 addresses the various laws, regulations, and court decisions that determine the legal framework of EEO. Because the issues of diversity and equal employment are so closely linked, Chapter 5 begins with a discussion of diversity and the importance of managing diversity as a critical part of HR management. This chapter also contains an updated look at various aspects of implementing equal employment, such as sexual harassment, age discrimination, and religious discrimination.

## **Staffing the Organization**

Significant revisions to Chapter 6, Jobs and Human Resources, describe job design and redesign issues that impact organizations and the people working in them. Based on job design, the chapter then continues the useful coverage of job analysis and the task-based and competency approaches to job analysis.

Chapter 7 focuses on recruiting in tight labor markets. The difficulties of recruiting employees with scarce skills and new methods of attracting these individuals are discussed. Specifically, the chapter contains considerable new content on Internet recruiting. Strategic recruiting, including use of flexible staffing approaches, also is highlighted in Chapter 7. An expansion of the well-regarded coverage on selection in Chapter 8 encompasses the selection strategy choices that management must make. The revised discussion of psychological testing and interviewing approaches and techniques reflects current research and practices in HR management.

## **Training and HR Development**

The revisions made to Chapter 9 on training are based on input from reviewers and assistance from Lisa Burke at Louisiana State University–Shreveport. The chapter now discusses the strategic role training plays in organizations and how training must be linked to business strategies and organizational competitiveness. Specific content on adult learning and newer training design and delivery means is provided. As the text addresses the growing use of *e-learning*, it includes why and how organizations move toward Web-based training. Chapter 10 on HR development looks at the means organizations use to expand the

capabilities of their human resources. The chapter contains new content on succession planning and why it will grow in importance as a focus of HR management in the coming years. The chapter also discusses leadership and other management development approaches.

## **Performance Management**

Chapter 11 expands the material on identifying and measuring employee performance, including additional information on multisource and 360 degree approaches as they become integral in many performance management systems. The chapter emphasizes performance management and the role of the performance appraisal process in enhancing the performance of human resources in organizations.

## **Compensating Human Resources**

Compensation of human resources covers pay administration, incentives, and benefits. Chapters 12 and 13 include information on approaches such as broadbanding and competency-based pay to augment the well-regarded coverage of base compensation, pay-for-performance, and variable-pay programs already in those chapters. New coverage of variable-pay plans of various types has been added. Also, changes in content made in Chapter 14 on benefits highlight the growing cost concerns facing HR professionals and organizations.

## **Employee Relations**

The discussion of employee relations addresses several areas, including health, safety, and security. The revisions to the coverage in Chapter 15 of health, safety, and security issues identify current health and safety issues and OSHA compliance requirements. The chapter offers new content on the prevention of workplace violence and the importance of workplace security. The various issues associated with employee rights and discipline, such as employment-at-will, privacy rights, and substance abuse are expanded in Chapter 16. It also looks at emerging issues such as electronic monitoring, privacy, and e-mail, and other employee-rights issues affected by technology.

## **Union-Management Relations**

The changing role of unions in the U.S. economy is discussed in Chapter 17. In addition to covering the

basic laws and regulations governing union-management relations in the United States, new material discusses reasons for the declining percentage of workers in unions and the challenges facing both unions and management.

## Global HR Management

A significant change in this edition is the movement of the content on global HR management to be the final chapter. Contrary to what some may view as diminishing the importance of global HR, the authors constructed Chapter 18 as a “capstone” to emphasize how global forces affect the way in which HR management is practiced. Significantly revised global HR content addresses the expatriate selection and assignment process, as well as the repatriation process needed with global employees. Because all of the previously discussed HR activities must be addressed somewhat differently when global HR employees are managed, the authors responded to reviewers’ suggestions to use the global HR content to conclude the book.

## Chapter Features

Each chapter begins with specific learning objectives. Next, the *HR Insights* feature contains an example of an HR problem, situation, or practice in an actual organization, which illustrates some facet of that chapter’s content. Each chapter also presents *HR Perspectives* vignettes that highlight HR management examples, ethical issues, and research studies. Additionally, new to this edition, many chapters contain *HR Practices* boxes, which offer suggestions on how to handle specific HR issues or situations, and the *e-HR* examples mentioned earlier. Both the *West Group* and the *Logging On* features provide linkages to additional material beyond the text content.

Following a point-by-point summary, the review and discussions questions link to the opening learning objectives. Key terms and concepts are listed, and a “Using the Internet” exercise is included. At the end of every chapter, a case presents a real-life problem or situation using actual organizations as examples. Finally, reference notes cite sources used in the chapter, with particular attention given to the inclusion of the most current references and research possible.

## Supplements

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### Student Resource Guide

(ISBN 0-324-07156-6)

Designed from a student’s perspective by Julie Woodard, SPHR, this useful study guide comes with all the tools necessary to maximize results in class and on exams. Chapter objectives and chapter outlines aid students in reviewing for exams. Study questions include matching (10–15 per chapter), true/false (15 per chapter), idea completion (5 per chapter), multiple choice (25 per chapter), and essay questions (3 per chapter). Answer keys are provided. Key issues are identified for each case presented in the text.

### HR Management Electronic Review Guide (ISBN 0-324-18341-0)

A Web-based learning companion, the HR Management Electronic Review uses a question-and-feedback format to give individuals the opportunity to identify and review their professional knowledge of HR management content. Prepared by Julie Woodard, SPHR, and Alan Jaramillo, SPHR, the HR Management Professional Review provides a broad-based review of topics central to HR management. For individuals who will be taking tests over HR management content, a prologue of test-taking tips is included to ease exam anxiety and provide practical advice.

### Videos (ISBN 0-538-89013-4)

A diverse selection of custom-produced, CNN news segments are available to introduce topics, supplement lecture material, and stimulate discussion. Companies, people, and events that are familiar to students illustrate human resource issues and offer insights into all phases of human resource management.

### Instructor’s Manual (ISBN 0-324-18531-6)

The instructor’s manual, prepared by Cary Thorp, University of Nebraska–Lincoln, and Thomas R. Tudor, James Madison University, represents one of the most exciting and professionally useful instructor’s aids available. Comprehensive teaching materials, including chapter overviews, chapter outlines, instructor’s notes, and suggested answers to end-of-chapter Review and Discussion Questions and



Using the Internet exercises are provided for every chapter. A guide to the videos available for use in classes includes notes about how to introduce the videos to students, points to consider when viewing various segments, and questions for discussion.

### **Test Bank (ISBN 0-324-18532-4)**

The test bank contains more than 1,500 test questions prepared by Roger Dean of Washington and Lee University. Multiple-choice, true/false, and essay questions are provided for every chapter. Answers are cross-referenced to pages in the textbook that pinpoint where relevant material can be found in the text. When the answer to a true/false question is false, feedback is provided to underscore the reason why.

The test bank is also available in a computerized Windows™-compatible format. Exam View (ISBN 0-324-17934-0) is a fully integrated software program that allows for test creation, delivery, and classroom management tools.

### **Transparency Acetates**

(ISBN 0-324-07158-8)

Prepared by Cary Thorp, University of Nebraska–Lincoln, in conjunction with the instructor’s manual, a full-color set of 120 transparency acetates is also available to instructors to enhance classroom presentations.

### **Instructor’s Resource CD-ROM**

(ISBN 0-324-07154-X)

The Instructor’s Resource CD-ROM includes an electronic version of the instructor’s manual, printed test bank and Exam View. In addition, it includes a comprehensive set of full-color PowerPoint presentation slides, prepared by Charlie T. Cook of The University of West Alabama.

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The authors feel confident that this edition will continue as a standard for the HR field. We believe it offers a relevant and interesting look at HR management, and we are optimistic that those who use the book will agree.

Robert L. Mathis, SPHR  
Omaha, Nebraska

John H. Jackson  
Laramie, Wyoming

# About the Authors

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Dr. Robert Mathis is Professor of Management at the University of Nebraska at Omaha (UNO). Born and raised in Texas, he received a B.B.A. and M.B.A. from Texas Tech University and a Ph.D. in Management and Organization from the University of Colorado. At UNO he has received the University's "Excellence in Teaching" award.

Dr. Mathis has co-authored several books and has published numerous articles covering a variety of topics over the last 25 years. On the professional level, Dr. Mathis has held numerous national offices in the Society for Human Resource Management and in other professional organizations, including the Academy of Management. He also has served as President of the Human Resource Certification Institute (HRCI) and is certified as a Senior Professional in Human Resources (SPHR) by HRCI.

He has had extensive consulting experiences with organizations of all sizes in a variety of areas. Firms assisted have been in telecommunications, telemarketing, financial, manufacturing, retail, health-care, and utility industries. He has extensive specialized consulting experience in establishing or revising compensation plans for small- and medium-sized firms. Internationally, Dr. Mathis has consulting and training experience with organizations in Australia, Lithuania, Romania, Moldova, and Taiwan.

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Dr. John H. Jackson is Professor of Management at the University of Wyoming. Born in Alaska, he received his B.B.A. and M.B.A. from Texas Tech University. He then worked in the telecommunications industry in human resources management for several years. After leaving that industry, he completed his doctoral studies at the University of Colorado and received his Ph.D. in Management and Organization.

During his academic career, Dr. Jackson has authored four other college texts and over 50 articles and papers, including those appearing in *Academy of Management Review*, *Journal of Management*, *Human Resources Management*, and *Human Resources Planning*. He has consulted widely with a variety of organizations on HR and management development matters. During the past several years, Dr. Jackson has served as an expert witness in a number of HR-related cases.

At the University of Wyoming he served two terms as Department Head in the Department of Management and Marketing. Dr. Jackson has received teaching awards at Wyoming and was one of the first to work with two-way interactive television for MBA students in the state. In addition, he designed one of the first classes in the nation on *Business Environment and Natural Resources*. In addition to teaching, Dr. Jackson is president of Silverwood Ranches, Inc.

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