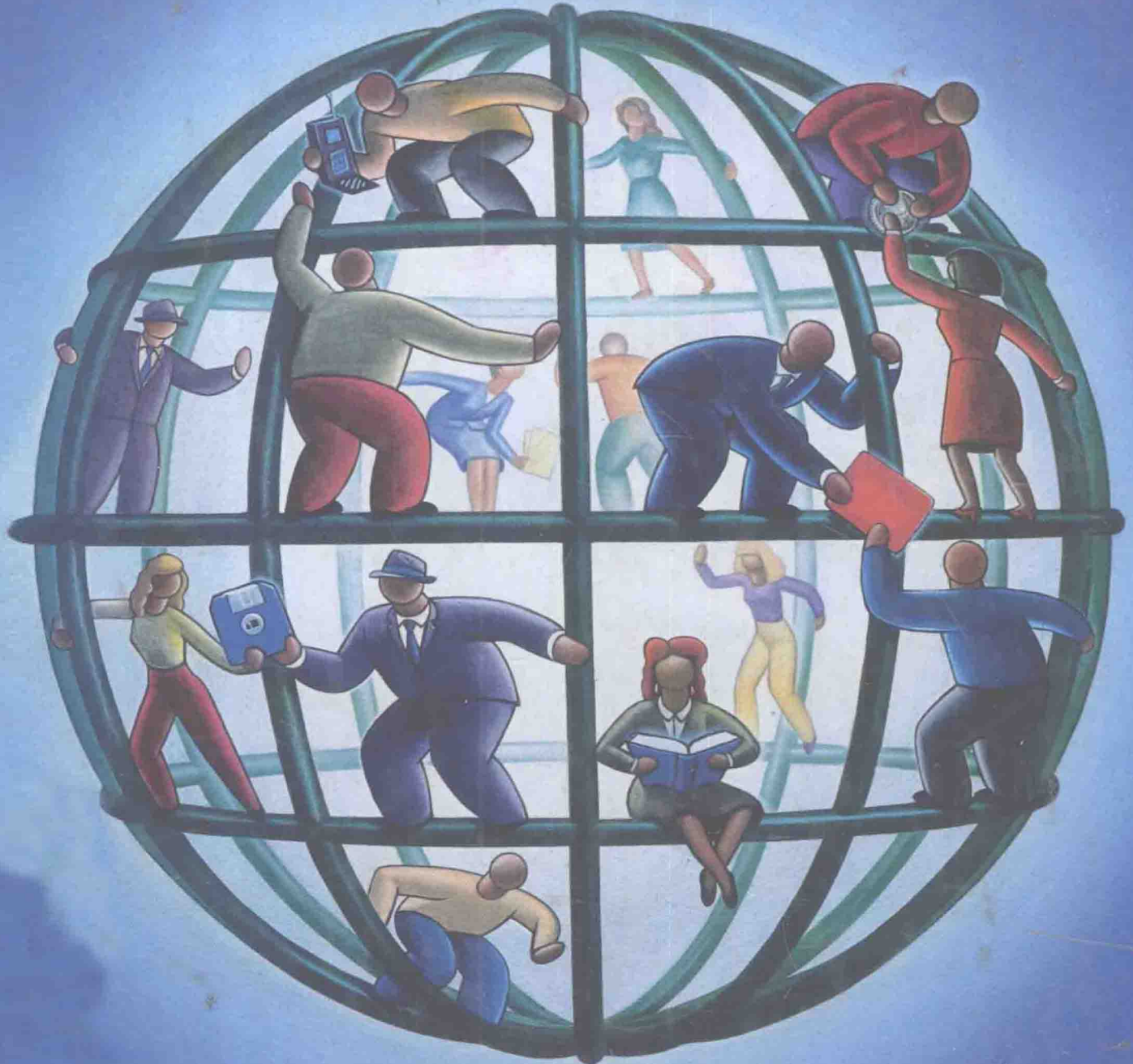


HUMAN RESOURCE MANAGEMENT

SEVENTH EDITION



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SEVENTH EDITION

HUMAN RESOURCE MANAGEMENT

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Composition:	Progressive Information Technologies



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 A Simon & Schuster Company
 Upper Saddle River, New Jersey 07458

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Library of Congress Cataloging-in-Publication Data

Mondy, R. Wayne

Human resource management / R. Wayne Mondy, Robert M. Noe, Shane

R. Premeaux. — 7th ed.

p. cm.

Includes bibliographical references and index.

ISBN 0-13-922782-2

1. Personnel management—United States. 2. Personnel management.

I. Noe, Robert M. II. Premeaux, Shane R. . III. Title.

HF5549.2.U5M66 1998

658.3—dc21

98-12218

CIP

Prentice-Hall International (UK) Limited, London
 Prentice-Hall of Australia Pty. Limited, Sydney
 Prentice-Hall Canada, Inc., Toronto
 Prentice-Hall Hispanoamericana, S.A., Mexico
 Prentice Hall of India Private Limited, New Delhi
 Prentice-Hall of Japan, Inc., Tokyo
 Simon & Schuster Asia Pte. Ltd., Singapore
 Editora Prentice-Hall do Brasil, Ltda., Rio de Janeiro

Printed in the United States of America

10 9 8 7 6 5

Preface

The world of human resource management has experienced major changes since the sixth edition of this book was published. The impact of global competition and rapid technological advances has accelerated trends such as shared service centers, outsourcing, and just-in-time training. All business areas, including human resources, are being restructured in many organizations. Some observers have predicted that these changes will diminish the importance of human resource management. A more prevalent view of human resources, and one held by the authors, is that they are an organization's primary competitive edge. The management of human resources has been a major issue in organizations, and managers of human resources are evolving into the role of strategic partners with top management.

As we enter the next millennium, the seventh edition of *Human Resource Management* provides a realistic approach to the human resource management field. Even though the book is essentially pragmatic, it is balanced throughout by current human resource management theories and concepts. The interrelationships among the various human resource functions is a theme that runs throughout the book. Each of the functions is described from the standpoint of its relationship to the strategic needs of organizations. This book is written primarily for students who are being exposed to human resource management for the first time. It puts them in touch with the real world through the use of numerous illustrations and company material showing how human resource management is practiced in today's foremost organizations.

FEATURES OF THIS BOOK

We have included a number of features to promote the readability and understanding of important human resource management concepts.

- A model (see Figure 2-1) has been developed that provides a vehicle for relating all human resource management topics. We believe the overview provided will serve as an excellent teaching device.
- A caselet (short case study) involving human resource management is provided at the beginning of each chapter to set the tone for a discussion of the major topics included in the chapter.
- A brief exercise called "HRM In Action" is included in the body of each chapter. These exercises are designed to permit students to make decisions regarding real-world situations that could occur in the business world. A debriefing guide is provided for the instructor in the *Instructor's Resource Manual*. Fifty percent of the incidents are new to this edition.

- **NEW “A Global Perspective”** Because of the impact of the global environment on human resource management, new major global topics have been added to each chapter under the heading of “A Global Perspective.”
- **NEW “HR Trends and Innovations”** New to the seventh edition of *Human Resource Management* is a section in each chapter entitled “HR Trends and Innovations.” This section was added to portray the current trends in Human Resource Management.
- **NEW “Exploring with ‘HR Web Wisdom’”** New to the seventh edition of *Human Resource Management* are three recommended Web sites per chapter entitled “HR Web Wisdom.” These Web sites relate to topics highlighted in each chapter. One of the sites in each chapter refers to the Society of Human Resource Management home page. The corresponding Web address for each “HR Web Wisdom” is located in the Prentice Hall Web site at <<http://www.prenhall.com/mondy>>. The Internet and the World Wide Web are dynamic and ever evolving structures, and therefore users of these and other HR related Web sites should frequently contact our Prentice Hall Web site where changes, improvements, and new resources are provided.
- **NEW Showtime Integrative Video Case** A new feature to this edition is an eight-part integrative video case featuring an in-depth look at the HR practices at Showtime Networks Inc., the premium cable movie channel. This continuing video case provides students with the opportunity to apply information from the text to an actual business and allows students to view this same company from several different perspectives.
- **NEW Learning Objectives and Summary are tied together.** The summary at the end of the chapter is tied to the objectives at the beginning of the chapter.
- In addition to the integrative Showtime video case, this edition also offers selections from the ABC News video library.
- Two HRM Incidents are provided at the end of each chapter. These short cases highlight material covered in the chapter. Fifty percent of these incidents are new to this edition.
- A discussion of the *Human Resources Management Simulation* by Smith and Golden is provided in each chapter. These simulations give students the opportunity to practice managing an organization’s human resources function. With a simulation, students have the opportunity to make decisions, see the effects of those decisions, and then try again, if necessary. Players get *hands-on* experience with manipulating key human resources variables in a dynamic setting. The player’s manual for this simulation (ISBN: 0-13-556425-5) may be purchased separately or can be shrink-wrapped with this text.
- A comprehensive exercise called “Developing HRM Skills: An Experiential Exercise” is provided at the end of each chapter. These exercises provide for considerable class participation and group involvement. A

comprehensive debriefing guide is provided for the instructor in the *Instructor's Resource Manual*.

- Actual company examples and material are used throughout the book to illustrate how a concept is actually used in organizations. A minimum of five company examples are included in each chapter.
- Objectives are listed at the beginning of each chapter to highlight the general purpose and key concepts of the chapter.
- Review questions appear at the end of each chapter to test the student's understanding of the material.
- Key terms are listed at the beginning of each chapter. In addition, a key term is presented in bold print the first time it is defined or described in the chapter.
- The relevance of the text is ensured through the use of current references.
- Finally, a glossary of all key terms appears at the end of the book.

IMPROVEMENTS TO THE SEVENTH EDITION

The previous editions of this book enjoyed considerable success. Many of our adopters provided us with suggestions for improving the seventh edition. All topics have been updated to provide the most recent coverage available, and the following are topics that have been added to this edition.

CHAPTER 1: HUMAN RESOURCE MANAGEMENT: AN OVERVIEW

New sections include "HR Restructuring Trends," "Adjusting to HR Restructuring Trends—Who Performs the Human Resource Management Tasks?" "HR as a Strategic Partner," "Human Resource Management and the Small Business Manager," "Technology Impact," and "A New and Evolving HR Organization for Large-Size Firms."

CHAPTER 2: THE ENVIRONMENT OF HUMAN RESOURCE MANAGEMENT

New sections include "Single Parents and Working Mothers," "Dual-Career Couples," "Educational Level of Employees," "Corporate Culture," "Factors That Influence Corporate Culture," and "Changing the Corporate Culture."

CHAPTER 3: EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

New sections include "Illegal Immigration Reform and Immigrant Responsibility Act," "Equal Employment Overseas," "*O'Connor v Consolidated Coin Caterers Corp.*" and "Employment Standards to Avoid."

CHAPTER 4: JOB ANALYSIS

New sections include "The Expanded Job Description," "Timeliness of Job Analysis," and "Design Approaches: Fad or Fashion."

CHAPTER 5: STRATEGIC HUMAN RESOURCE PLANNING

New sections include "HR and Strategic Planning," "The Levels of Strategic Planning," "The Strategic Planning and Implementation Process," "Strategy Implementation," "Succession Planning," and "Succession Development."

CHAPTER 6: RECRUITMENT

New sections include "Outsourcing," "Innovative Methods of Recruitment," "Internet Recruitment," "Virtual Job Fairs," "Recruitment for Diversity," and "Utilization of Minorities, Women, and Individuals with Disabilities."

CHAPTER 7: SELECTION

New sections include "Behavior Description Interviewing" and "Legal Implications of Interviewing." Other new topics are "Genetic Testing," "Video-taped Interviews," and "Computer Interviews." Also included in this chapter is a discussion of the need to consider organizational fit in the selection decision and software programs that permit automated resumé handling.

CHAPTER 8: TRAINING AND DEVELOPMENT

New sections include "Training in the Information Age," "Cyberlearning," "Virtual Reality," "The Internet, Intranets, and Just-in-Time Training," "Corporate Universities," "Return on Investment (ROI) for Evaluating T&D," and "Benchmarking for Evaluating T&D."

CHAPTER 9: CAREER PLANNING AND DEVELOPMENT

New sections include "The Evolution of Work Impacting Career Planning and Development," "Impacting HR Developmental Practices," "Job Revitalization and Career Enhancement," "Developing Unique Segments of the Workforce," "Developing Generation X Employees," and "Developing the New Factory Workers."

CHAPTER 10: PERFORMANCE APPRAISAL

New sections include "What to Evaluate" and "Customer Appraisal of Performance." Expanded coverage is given to 360 Degree Feedback and PC software to assist in writing performance appraisals.

CHAPTER 11: COMPENSATION

New topics include a discussion of variable pay (lump sum bonuses) as opposed to merit pay. New sections are "Broadbanding" and "Workplace Flexibility" (with expanded treatment of flextime, compressed workweek, job sharing, flexible compensation plans, telecommuting and modified retirement).

CHAPTER 12: BENEFITS AND OTHER COMPENSATION ISSUES

New topics include "Team Based Compensation Plans," "The Health Insurance Portability and Accountability Act of 1996," and "Severance Pay." Other new topics are "Well Pay," "Exclusive Provider Organizations (EPO)," and "Relocation Benefits and Financial Services." Expanded coverage is provided for Family and Medical Leave Act of 1993 (FMLA) and defined contribution plans [401(k) plans]. Numerous citations of the 1997 SHRM benefits survey are included.

CHAPTER 13: A SAFE AND HEALTHY WORK ENVIRONMENT

New sections include "Safety and Health Trends," "Ergonomics," "Workplace and Domestic Violence," and "The Northwestern Mutual Life Insurance Company's Program." A new section on sabbatical leaves is included, and the topic "Smoking in the Workplace" is expanded.

CHAPTER 14: THE EVOLUTION OF LABOR UNIONS

New sections include “The Labor Movement into the Year 2000,” and “Teams and Organized Labor.” Also included in this chapter is a discussion of an open-door policy, grievance procedures, the ombudsperson, the state of certification elections, strikes, the diminishing strength of unions, and a discussion of Executive Order 12954, which bans the hiring of permanent strike replacements by certain federal contractors.

CHAPTER 15: LABOR MANAGEMENT RELATIONS

New sections include “The Future of Worker-Management Relations” and “Labor Management Relations and Individual Bargaining.” Also included new in this chapter is a discussion of the ramifications of union-management cooperation prohibited by the National Labor Relations Act of 1935, the growing incidents of plant-closure threats by nearly half of managers facing union elections, the impact of such threats on labor loses, the AFL-CIO’s bargaining push on work-family issues, scarcity of pay increases in key economic sectors, the growing importance of mediation skills to executives, alternative dispute resolution, the impact of activism and union focus, and the reality of NAFTA being used as a union-busting weapon.

CHAPTER 16: INTERNAL EMPLOYEE RELATIONS

New sections on “Evaluating the Human Resource Management Function” and “Alternative Dispute Resolution (ADR)” are included. There is also new material on the termination of executives and outplacement.

CHAPTER 17: GLOBAL HUMAN RESOURCE MANAGEMENT

This entirely new chapter includes the following sections: “The Evolution of Global Business,” “The Evolution of Global Human Resource Management,” “Global Human Resource Management Functions,” “Possible Barriers to Effective Global Human Resource Management,” “Equal Employment Opportunity and Global HR,” “Eight Keys to Global HR Management of Expatriates,” and “Keeping up Globally with HR.”

ACKNOWLEDGMENTS

The assistance and encouragement of many people is normally required in the writing of any book. This is especially true in the writing of the seventh edition of *Human Resource Management*. Although it would be virtually impossible to list each person who assisted in this project, certain people must be credited because of the magnitude of their contribution. We especially appreciate the efforts of the professionals who reviewed this edition: James A. Browne, University of Southern California; Paul A. Fadil, Valdosta State University; Claudia Salvano, Valencia (FL) Community College; Jim Wanek, University of Minnesota; and Steven Werner, University of Houston.

We would also like to thank Marthanne Lamansky, Anita Platt, Kendra Ingram and Sue Weatherbee, all very competent and professional individuals, who were always available to ensure that our deadlines were met. As with the previous editions, the support and encouragement of many practicing HRM professionals has made this book possible.

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