# Strategic Human Resource Management

JEFFREY A. MELLO

# STRATEGIC HUMAN RESOURCE MANAGEMENT

JEFFREY A. MELLO, PH.D. Towson University

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# DEDICATION

To my parents, Gabe and Lorraine.

# ABOUT THE AUTHOR

Jeff Mello is Professor of Management and Chair of the Management Department at Towson University. He received his Ph.D. from Northeastern University and has been a recipient of the David L. Bradford Outstanding Educator Award presented by the Organizational Behavior Teaching Society. He is the author of more than 100 book chapters, journal articles, and conference papers and has received institutional, national, and international awards for his research. His work has been published in journals that include the Journal of Business Ethics, International Journal of Public Administration, Business & Society Review, Seton Hall Legislative Journal, the Journal of Individual Employment Rights, Public Personnel Management, Labor Law Journal, Employment Relations Today, and the Journal of Management Education. He serves on the editorial review boards of several leading management journals and is an immediate past associate editor of the Journal of Management Education. He is a member of the national and regional divisions of the Society for Human Resource Management, Organizational Behavior Teaching Society, Academy of Legal Studies in Business, Decision Sciences Institute, and the Academy of Management.

#### PREFACE

Several years ago, while teaching at the Haas School of Business at the University of California at Berkeley, I was asked to develop a new graduate-level (MBA) course in strategic human resource management. I was not able to find an appropriate text. Although I found the market flooded with a variety of HR texts, none was a true text in *strategic* HR. Certain texts had the word "strategic" in their titles, but none provided a truly integrative framework that linked HR practices and programs with the process of strategic management. At best, these books contained a cursory chapter that addressed strategic HR and then abandoned the concept in subsequent chapters in favor of more traditional coverage of HR from the perspective of "personnel administration." At worst, they had no content that related to strategy at all.

Shortly thereafter, I attended the Human Resources/Industrial Relations Teaching Conference in Atlanta. At that conference, various "interest groups" convened to discuss HR subject matter. I attended the strategic HR group, along with approximately two dozen other faculty members from business schools on several continents. When the leader of the group opened the discussion, the first question that was immediately raised was whether anyone knew of a good text in strategic HR. Everyone in the room broke into laughter as the central focus of the next hour became the shared perception that there was not a single good text in strategic HR. The question became, "Why won't someone write one?!" Needless to say, I was pleased to find my perceptions of the market confirmed and excited about the possibility of writing a text in strategic HR. However, that still left me with a course to teach and no suitable text.

Frustrated, I decided against using a conventional text and compiled a collection of published articles, including some of my own writings, to use as readings that were centered around a conceptual model of strategic HR I had developed. Student reaction to the course framework and readings was extremely positive. I subsequently taught the course as a capstone offering to a group of graduate students who were

enrolled in a specialized HR degree program. Many of these students were middleand even senior-level HR managers employed in a variety of organizations. The fact that they also found the course and course materials so relevant and applicable to their job responsibilities led me to believe that I had developed something of value for both academic and practitioner audiences.

The result of these experiences is this text. Strategic Human Resource Management is designed for both graduate students enrolled in a survey course in human resource management who would benefit from a general management approach to strategic HR as well as for working professionals enrolled in specialized HR and executive programs as a capstone offering. The materials within the book, including text, readings and exercises, have also been utilized successfully at the advanced undergraduate level.

#### ORGANIZATION AND CONTENT

The text is organized into two sections. The first section, Chapters 1-7, examines the context of strategic HR and develops a framework and conceptual model for the practice of strategic HR. The chapters in this section examine employees as "investments;" explore trends that are affecting human resource management practice; describe what strategic HR is, particularly in contrast to more traditional approaches to HR; and look at how both the design of work systems and relevant employment laws influence the practice of managing people in organizations. The second section, Chapters 8-14, examines the actual practice and implementation of strategic HR through a discussion of strategic issues that need to be addressed while developing specific programs and policies related to the traditional functional areas of HR (staffing, training, performance management, etc.). Covered within this section are strategic issues related to staffing, training, performance management, compensation, labor relations, employee separation, and managing a global workforce. Both the integrative framework that requires linkage between and consistency among these functional HR activities and the approach toward writing about these traditional functional areas from a strategic perspective distinguish the text from what is currently on the market.

#### CHAPTER FEATURES

All chapters contain the following:

- an opening vignette featuring a well-known organization to introduce chapter topic
- · very current research
- intermittent notes appearing at the bottom of the page alert the reader to pertinent readings found later in each chapter
- two or three carefully selected readings that are integrated within the text discussion

Strong pedagogical features appear at the end of each reading and at the end of each chapter that are designed to foster the learning experience individually, in the classroom, as a group, and on the Internet. These include:

- end-of-chapter discussion questions
- experiential exercises to aid in student learning
- innovative Internet exercises
- recommended discussion questions for each of the readings

A final section of the text contains a collection of cases that apply the principles and practices of strategic HR to well-known organizations. The cases can be used intermittently throughout the course, students can be referred to one or more cases as certain topics are covered, or the cases can act as stand-alone integrative cases for analysis at particular junctures in the course.

#### ANCILLARY PRODUCTS

The accompanying instructor's manual with test bank (ISBN 0-324-06585-X) provides suggestions as to how to use each of these various activities as well as how to create an integrated and stimulating learning environment that incorporates a variety of learning approaches. PowerPoint® presentation slides have been created to accompany chapter material and enliven presentation of text material in the classroom. Our Web site, http://mello.swcollege.com also provides additional resources for students and instructors.

#### ACKNOWLEDGMENTS

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A number of faculty members reviewed earlier drafts of this text and provided very useful developmental feedback that has significantly improved the book. For this I wish to thank:

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My HR colleagues at GW provided a nurturing and supportive environment in which to work. My thanks are extended to Debbie Cohen, Caren Goldberg, Patrick McHugh, and Paul Swiercz, as well as our extraordinary department chair, Erik Winslow. They are true professionals with whom I am proud to have had the honor of working. I thank them for making it an absolute pleasure to come into the office.

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Jeffrey A. Mello

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# PART 1

THE CONTEXT OF STRATEGIC
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