Shaun Tyson

Essentials of Human Resource Management

Fifth Edition

Essentials of Human Resource Management

Fifth edition

Shaun Tyson

Notice
No responsibility is assumed by the publisher for any injury and/or damage to
persons or property as a matter of products liability, negligence or otherwise, or from
any use or operation of any methods, products, instructions or ideas contained in the
material herein. Because of rapid advances in the medical sciences, in particular,
independent verification of diagnoses and drug dosages should be made

For information on all Elsevier Butterworth-Heinemann publications
visit our web site at http://books.elsevier.com

Working together to grow
libraries in developing countries

www.elsevier.com | www.bookaid.org | www.sabre.org

ELSEVIER   BOOK AID International   Sabre Foundation

Preface

Human Resource management has grown in its range and depth to the point where it has become an industry rather than just an occupation. This Fifth Edition of a book aimed at explaining the main areas of the field has grown in each edition, expanding with the scope of the topic to the point where even a summary of the topic is a large tome. In each succeeding edition we find new ideas, new techniques and new legislation to describe. There is however, no diminution in the volume of existing material because all is still relevant. It is necessary to know how we have come to our present situation in order to understand where we are going, and the trends which are continuing. HRM is highly situation specific, the context is infinitely variable and there are endless applications.

Part of the joy of working in HRM is the significance of the work that we do in this field, to help people and organizations to adjust to the massive social, economic, political and technological changes that influence the way people are managed.

The pace of change is such that we must acknowledge wider forces affecting people management. Environmental change, increased security risks, demographic changes, the rise of new economies such as China, India and Brazil, and the expansion of the EU are some of the obvious global pressures. The social changes we can all list include shifts to values and lifestyles, families, education and health. What at one time might have seemed remote from HRM is now central to our work. Global, social and political changes affect all economic activities, through marketing opportunities and threats, affecting employment, costs, productivity and the social climate of relationships.

New ways of working and organizing, such as flatter, more devolved organization structures, the burgeoning range of networks, whether

technological, inter-organizational, intra-organizational, or personal, and global ownership with international activities as a norm have affected HRM. The HR functions in organizations are smaller and more often linked to a wide range of service providers and sometimes with the transactional activities outsourced. The HR role is diffused throughout organizations, with new job titles reflecting the significance of change management and talent management.

Not in spite of, but because of, these trends, there is every sign that HRM as an activity is itself becoming widely distributed. There is convergence in practices for example, between the public and private sectors, and across national boundaries. Information flows are so fast the standard for communications is now instant, via electronic means, that the latest ideas on the HR field are transmitted within seconds. There is transparency in areas such as pay and benefits, labour market data, recruitment opportunities and working trends. The world of the business of HRM is mature, expanding and mainstream to all managerial activity.

These trends and changes would be sufficient justification for the Fifth Edition of this text alone. The need for this kind of text continues because whatever the discontinuities arising from the new challenges, people management in all its aspects builds and develops from tradition and techniques. New cases and legislation in the field amend and marginally reconfigure regulations, with our understanding of the human condition comes a slow accretion of knowledge which is represented in the continuing traditions in techniques and approaches, such as in selection, job evaluation, reward, training, development and in industrial relations. The people working in this field are developing knowledge and techniques as they face new problems, as communities of practitioners.

The latest edition of this text seeks to bring together the main fundamental knowledge of areas of human resources, from organizational behaviour to people management, industrial relations and employment law. These are explored from the perspective of the current and emerging context of HRM and the latest techniques in managing people.

The themes of continuity and change are supported by the genesis of this book, when Alfred York, the original co-author and I sat down together to blend our joint knowledge and interests as a foundation for the book, with John Milton's words in mind:

'Where there is much desire to learn, there of necessity will be much arguing, much writing, many opinions; for opinion in good men is but knowledge in the making.'

Our desire to write the book was born as much out of a desire to learn as the intention to communicate ideas and understanding.

That desire continues, because with each new edition, come revisions and new ideas. The field of HRM is one where there are new techniques and fresh concepts by the bucketful, and where no book can completely do justice to the topic.

This book is intended for anyone who wishes to find a comprehensive guide to the subject, grounded in the principal theories and concepts, with the authority of a long term perspective and a focus on the latest techniques and practical ideas.

Later in these introductory pages I acknowledge my debt to Alfred and to Jayne Ashley who over many years and editions have worked on this book with me. In the ideas and perspectives found here, we hope our readers will find 'knowledge in the making'.

Shaun Tyson

Acknowledgements

Contents

The behavioural bases of human resource management

In this part of the book we provide a general background for all the subsequent chapters on specific aspects of human resource management (HRM) policies and practices. Since work and its management are human activities set in motion, carried out, supervised, monitored and assessed by people who are constantly interacting with each other, human factors are crucially important. Nevertheless, managers do not always act as though they fully understand and acknowledge that success in management has to be based on an awareness and at least a broad knowledge of human behaviour, including, of course, their own.

For the last 100 years there have been studies of the behaviour of people, and in particular of the special kinds of problems that modern working life creates. These studies are described collectively as the social sciences and include contributions from specialists trained in a variety of disciplines, particularly in the different branches of psychology, sociology and economics. In times of increasing academic specialization we need to remind ourselves that the situations themselves have no such specialized distinctions. The value of the various specialisms lies in the difference of emphasis and perspective that they give in looking at the same situations, and hence in providing a broader understanding of their nature.

In this preliminary phase of the book we are setting out to make a systematic survey of the important areas covered by research into the behaviour of people at work, which is, of necessity, no more than an outline. Apart from providing a necessary background for the main subjects of the book it will also, hopefully, indicate areas where further study may usefully be made.

Individual differences

Human beings share certain common features, such as physical and mental characteristics. These attributes, which link all the members of the species, produce common patterns of behaviour. Thus, all humans have physiological and basic needs mainly concerned with survival: needs for food, shelter, security, reproduction, affection, group membership. Unlike animals, humans also reveal a higher range of needs, concerned with making sense of what might otherwise be a meaningless world. These needs show themselves in the form of exploratory, creative and self-fulfilling activities of many and varied forms. In consequence, a common feature of all human behaviour is that it is goal directed, as the members of the species are driven to satisfy these needs.

At the same time every individual is the product of a unique combination of genetic and environmental factors. Apart from the exceptional circumstance of identical twins, every human is physically distinct from all other humans at birth. Thereafter, everyone is subjected to a unique pattern of environmental influences, produced by the accumulative and distinctive features of a particular family, sex, region, race, education, religion, epoch, etc. This is a constantly changing process with the result that all of us are being continuously shaped and modified by new experiences and new relationships.

The differing factors of heredity and environment produce an individual uniqueness that has important consequences.

As we grow physically and develop mentally, and join in, so to speak, the general human process of satisfying needs and making sense of the world, we are subjected to the socializing influences of other people with whom we have most contact, in the family, at school, at church, for example, and in the larger society to which we belong. During this time we are also developing emotionally, getting in touch with our feelings and learning how to control them. As a result of these influences we acquire attitudes, values and expectations which shape our behaviour towards other people and strongly affect judgements and decisions about goals to pursue. When our beliefs have no rational basis, they may also be described as prejudices.
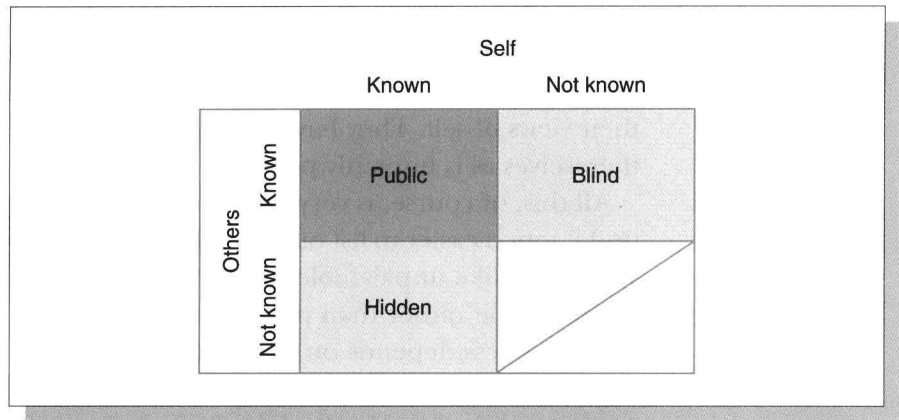
The condition of common human similarity and individual dissimilarity has a significance for the problems of interpersonal relationships and hence for human resource management. Information received by individuals from the external environment is processed according to their personal backgrounds, and the results are used as a basis for judgements, decisions and actions. In the course of everyday relationships there is a general tendency either to assume that other people see and interpret the world as we do or to expect that they should do so.

The importance of understanding the effects of individual differences on interpersonal relationships is not so much that assumptions and expectations about the behaviour of others will be eliminated or modified – although the possibilities of this will, no doubt, be increased. It is, rather, that we should have a framework for making as accurate an analysis as possible of our own and other people's behaviour. This will lead to a greater insight into people management issues, and hence may improve the quality of our interpersonal relationships, because we understand that reality is not absolute but is determined by individual perception and interpretation. In practical terms, this means that we may be less likely to become confused, frustrated or angry when the behaviour of others does not appear to match our own assumptions or expectations of what it should be. We are also correspondingly less likely to be impelled to explain the apparently odd or unreasonable behaviour of other people by ascribing our own reasons and motives, e.g. stupidity, spite, jealousy, obstinacy, lack of interest. This kind of insight and understanding is most important as a basis for studying specific areas such as communication, motivation, group and organizational behaviour, and leadership.

Self-awareness

The need for and importance of self-awareness has been recognized since the earliest times. The injunction 'Know thyself' was apparently written in gold above the portico of the Temple of Apollo in ancient Greece. Robert Burns addressed the same theme when writing: 'O wad some power the gift tae gie us, to see oursels as ithers see us'.

An understanding of one's own capabilities and limitations in terms of knowledge, skills and personal traits is especially important in work. The more insight managers have into their own behavioural traits and the effects on the members of their groups, the more effective they are likely to be, and the less likely they are to alienate the very people they should be motivating. As managerial styles have become more democratic or participative and less authoritarian so employees are

Figure 1.1
The Johari window

The window in the figure has labels as shown:

Self — Known / Not known

Others — Known / Not known

Panes: Public, Blind, Hidden

encouraged more than ever before to assess themselves in terms of employment suitability, career paths, work performance and developmental and training needs.

There are two views of individuals. There is the view that individuals have of themselves, and there is the view that other people, who have seen them in various situations, have of them. Obviously, there may often be some divergence in these views. The view of self may conflict with the views others have of us. There may be differences among the external assessors. The main possible variants in assessing individual behaviour have been summarized in the model known as the Johari window (Figure 1.1), named after its psychologist authors, Joe Luft and Harry Ingham.

The window in Figure 1.1 has four panes, described as follows:

1 Known to self and to others (public), e.g. I know that I am lazy and other people think so too.
2 Known to others, but not to self (blind), e.g. I think that I am a caring, sensitive person. Others do not see me in this way. I am not aware that others hold a different view.
3 Known to self, but not to others (hidden), e.g. I know that my lack of moral courage is a major weakness. Apparently others are not so aware of this problem.
4 Not known to self and not known to others, e.g. I am a poor judge of people. I do not realize this and neither do others who know me.

How should self-aware people be described?

They realize that their behaviour affects others and that they may need to change in order to achieve effectiveness in performance and human

relationships. They take active steps to obtain feedback about their behaviour and performance. They take particular note of any consensus of external views, especially when these diverge significantly from their views of self. They have reached as honest and balanced a view of themselves as is humanly possible.

All this, of course, is very much easier said than done. In real life we find it much easier to list our perceived strengths than our weak points. We do not like unpalatable home truths. We generally prefer to judge other people rather than ourselves. Paradoxically, the achievement of self-awareness depends on awareness of the need for, and importance of, self-awareness in the first place. The person who occupies windowpane number three in the Johari window may find it very difficult to move to windowpane number one for the very reasons that placed him or her in pane number three.

When we are dealing with questions concerning individual differences it is useful to consider if we are discussing differences in personality. According to Fonagy and Higgitt (1984): 'A personality theory is an organised set of concepts (like any other scientific theory) designed to help us to predict and explain behaviour' (p. 2). The theories are intended to be logical frameworks for integrating observations about people, and should help to produce new ideas to explain and understand behaviour. Personality theories describe the characteristic ways in which individuals think and act as they adjust to the world as experienced. These include genetic and unconscious factors as well as learned responses to situations. Often personalities are described as a series of 'traits'.

Carl Jung defined the personality traits which emerged from his ideas in his theory of individual differences, chief among which were the overall attitudes of 'Extroversion' and 'Introversion'. These traits help to explain how an individual sees and understands the world, how the person processes information and makes decisions, which depends, Jung argues, upon the person's thinking, feeling, sensation and intuition. These ideas have been popularized by the widespread popularity of the Myers Briggs inventory which can be used in occupational guidance, management development and career development.

In HRM, questions about the appropriateness of 'specific traits' or attributes are frequently raised in selection and assessment decisions. We discuss psychometric tests later in the book, but we should note here that researchers have identified a variety of personality traits. There is evidence that the many individual-specific traits, such as 'warmth' or 'unreliability', can be subsumed under what are known as the 'Big Five' dimensions of personality, these being extroversion, neuroticism, agreeableness, conscientiousness and openness to experience.

These dimensions can be defined as follows:

1 *Extroversion*: extroverts tend to be sociable, relate themselves readily to the world around them.
2 *Neuroticism*: view the world as a frightening place. Neurotics have anxieties and are self-conscious.
3 *Agreeableness*: the ability to care, to be affectionate.
4 *Conscientiousness*: careful, scrupulous, persevering behaviour.
5 *Openness to experience*: these people have broad interests, are willing to take risks.

These attributes are scales in themselves, for example, extroversion–introversion, neuroticism–stability, and the balance will be a mixture of positions for any individual, along the five continua.

Many researchers such as Raymond Cattell have emphasized that personality is not totally fixed. On the contrary, we are able to adapt and to change according to the situations we face, although it is anticipated any changes in behaviour would be consistent with our personality overall.

The answers to the questions that an analysis of self should provide can only come from the evidence of past and present behaviour. Actions speak louder than words. An analysis of the individual for purposes of self-awareness requires an investigation that is much the same as that which takes place during the effective selection interview or performance appraisal discussion. It requires discipline and a system. The evidence of the individual's abilities, potential, strengths, weaknesses, values, attitudes, motivation, likes, dislikes, personality traits, etc., is likely to be provided from the following sources:

- major influences in life such as family, education, religion, work, social life, study and reading, spare-time interests and travel
- life history in terms of achievements and decisions.

Individuals can carry out this investigation for themselves, but the process is considerably enhanced with the help of another person who has the counselling and investigative skills needed to ask relevant, probing and, at times, awkward questions in a friendly, helpful, but firm manner.

Communication

The problems that human individuality poses for interpersonal relationships lead logically to a study of communication. This may be seen as an extension of the study of the nature of individuals and their relationships