

SEVENTH EDITION

# HUMAN RESOURCE MANAGEMENT

JOHN M. IVANCEVICH

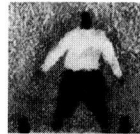






S E V E N T H E D I T I O N

# HUMAN RESOURCE MANAGEMENT



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## **HUMAN RESOURCE MANAGEMENT**

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# HUMAN RESOURCE MANAGEMENT

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To Dana Louise Ivancevich,  
Our sun, mountain, and water



## PREFACE

As we enter the 21st century, the role of human resources in organizations is at center stage. Managers have become aware that human resource management (HRM) is a function and area that can play a vital role in the success of organizations. HRM is no longer an afterthought, a limited service function, or a unit to be tolerated. It is an active participant in charting the course an organization must take to remain competitive, productive, and efficient.

This Seventh Edition of *Human Resource Management*—like the earlier editions—takes a managerial orientation; that is, HRM is viewed as being relevant to managers in every unit, project, or team. Managers are constantly faced with HRM issues, challenges, and decision making. Each manager must be a human resource problem solver and diagnostician. There are many HRM concepts, procedures, models, tools, and techniques that managers can deftly apply. This book pays attention to the application of HRM approaches in “real” organizational settings and situations. Realism, currentness, understanding, and critical thinking were important in making this a readable revision.

Human resource management is a necessary activity in all organizations. Its focal point is people. People are the lifeblood of organizations. Without them, there is no need for HRM systems, programs, or procedures. Because HRM activities involve people, they have to be fine-tuned and properly implemented in order to achieve desired outcomes. The uniqueness of HRM lies in its emphasis on people in work settings and its concern for the well-being and comfort of the human resources in an organization. This edition focuses on people who work directly in HRM as specialists and those who, as employees (e.g., engineers, clerks, typists, machinists, chemists, teachers, nurses), are influenced by HRM.

Students and faculty members identify readability as a key strength of this book. It was never intended to be an encyclopedia or a compendium of human resource management tools, laws, or ideas. Instead, the intent was to provide a book that instructors and students could learn from and that would stimulate their own ideas and keep them up to date on HRM thinking and practice.

### **Pedagogical Features**

In order to make the book interesting, scholarly, and practical, a number of pedagogical procedures were adopted. Each chapter contains the following elements:

- Brief list of behavioral learning objectives
- Career Challenge—a short situation emphasizing applied HRM techniques and issues that introduces each chapter and is further developed at various points in the chapter and at its conclusion.
- The diagnostic model that serves as the integrative framework of the book.
- HR Memo—a margin item that highlights statistics, facts, historical points, or relevant information.
- HR Journal—a brief news story about an actual company, technique, or group of people.
- The most recent statistics and data available on topics covered in the chapter.
- Chapter summary—a handy, concise reference to the chapter’s main points.
- List of key terms (plus a comprehensive glossary of key terms at the end of the book).
- Questions for Review and Discussion.
- One or more Application Cases or Exercises, or both, reflecting HRM issues, concerns, and problems faced in organizations of various sizes and in a wide array of industries.

Each of the six parts is supplemented with a video and where necessary with a video case and discussion questions to integrate material relevant to the participation section of the book.

### **Parts and Appendixes**

The seventh edition consists of six parts and three appendixes. Appendix A, “Measuring Human Resource Activities,” was originally prepared by Jac Fitzenz, Ph.D., president of the Saratoga Institute. This appendix spells out the reasons why measurement is important and how a measurement system for the HRM unit can be developed and styled. Appendix B,

“Sources of Information about Human Resource Management: Where to Find Facts and Figures,” was originally prepared by Paul N. Keaton of the University of Wisconsin–LaCrosse and has been updated for this edition. This appendix provides valuable sources of information that are useful in HRM. It also includes Internet addresses where available. Appendix C, “Career Planning,” was prepared by the author of the text. It examines the important steps involved in career planning that each person must accept responsibility for and initiate at the appropriate time. Each reader of the book must become actively involved in his or her own career plan.

### New and Strengthened Content Features

The dynamic changes in human resource management required some alteration, deletion, and expansion of material presented in the previous edition. Comments by instructors and students were reviewed and carefully considered in the course of the revision. In addition, numerous human resource experts in organizations have been interviewed in the past decade. Some of the new and strengthened features include:

- Coverage of the expanded role of HRM in strategic planning and implementation. The integration of HRM practices and strategy is spelled out.
- Discussion of cultural diversity, skill requirements for the workforce, and international competitiveness.
- Introduction of Web sites that cover HRM related topics and issues.
- An examination of organizational culture and its impact on human resources.
- A look at the Civil Rights Act of 1991 and the Family and Medical Leave Act of 1993, and an update of other laws.
- Additional and new coverage of the Americans with Disabilities Act (ADA) and its intentions.
- Discussion of the \$176.1 million Texaco settlement of a race discrimination lawsuit.
- Detailed analysis and a review of sexual harassment in organizations.
- Numerous examples and a chapter devoted to international HRM issues, concepts, and applications.

- Expanded and updated coverage of human resource information systems (HRIS).
- Added material on the United States government’s Internet project called O\*NET—an electronic update of the DOT.
- Use of www addresses for sites regarding HRM topics and resources (Appendix B).
- New material on multimethod job analysis.
- More extensive coverage of the use of computer databases as recruitment tools.
- A discussion on the problems of selecting expatriate managers for overseas assignments.
- Coverage and discussion of the role of performance evaluation role in quality improvement programs and in providing “360-degree” feedback.
- Clarified coverage of comparable worth.
- Specific and up-to-date examples of a variety of pay and gainsharing strategies.
- Clearer explanation of assessment of training needs and its importance.
- Discussion of learning objectives and how humanist, cognitivist, and behaviorist techniques are applied to learning.
- Expanded discussion of careers and career advancement, including presentation of the career “downshifters,” who are growing in numbers.
- Updated and more thorough discussion of random drug testing and AIDS in the workplace.
- Discussions of foreign unions and unions in multinational corporations.
- Suggestions for new union-management cooperation strategies.
- Updated and expanded coverage of health care strategies.

Each of these new or modified features was designed to (1) stimulate students’ interest in HRM as a field of study and as a set of programs and procedures that influence people within organizations; (2) clearly illustrate that HRM is a dynamic, changing field; (3) show by example that what is being applied has a theoretical rationale (often a research base) and offers practical, useful applications in the “real world”—of the organization; and (4) provide instructors with material, statistics, and illustrations that can help make the classroom experience more exciting. In essence,

the Seventh Edition was written for students and instructors alike.

### Contributions of Two Special Colleagues

The importance of sharing ideas, debating issues, and comparing notes is what makes the revision of any text satisfying. In preparing this Seventh Edition, two colleagues played a special role. Jim Phillips, professor of management at the University of Houston, and Jean Hanebury, associate professor of management at Texas A&M University–Corpus Christi, prepared chapter material, reviewed suggestions, and were involved in the review. Their contributions made the work of revision more enjoyable, thorough, and rewarding for the author. Jim and Jean did an outstanding job of updating, modifying, and expanding the text. The result of this entire effort is a better product for instructors and students.

### Instructor's Resource Materials

A complete set of instructor's resource materials is available with this text. P. L. Smith carefully updated and revised the instructional materials to complement the Seventh Edition.

*Instructor's manual and test bank.* For each chapter, the instructor's manual contains a list of learning objectives; a chapter synopsis; a summary of the Career Challenge; presentation notes; teaching tips; answers to questions for review and discussion; suggestions for additional questions, topics for term papers, and a group project; case or exercise notes; and answers to case questions. The test bank consists of approximately 1,600 true-false, multiple-choice, and essay questions. Each question is classified according to level of difficulty and includes a text page reference.

*Computerized testing software.* The most recent version of Irwin's test-generation software, this program includes advanced features such as allowing the instructor to add and edit questions on-line, save and reload tests, create up to 99 versions of each test, attach graphics to questions, import and export ASCII files, and select questions based on type, level of difficulty, or key words. The program allows password protection of saved test and question databases and is networkable.

*Lecture resource manual.* Two lecture supplements are provided for every chapter. The lectures are

concise summaries of topics and issues drawn from more than 100 sources. Many of the new lectures in this edition deal with globalization. In addition, the manual contains 20 transparency masters designed to be used with the lectures.

*Color acetates.* Approximately 60 color transparencies are also available, consisting of graphics designed to be used with the lecture supplements and reproductions of key exhibits from the text.

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