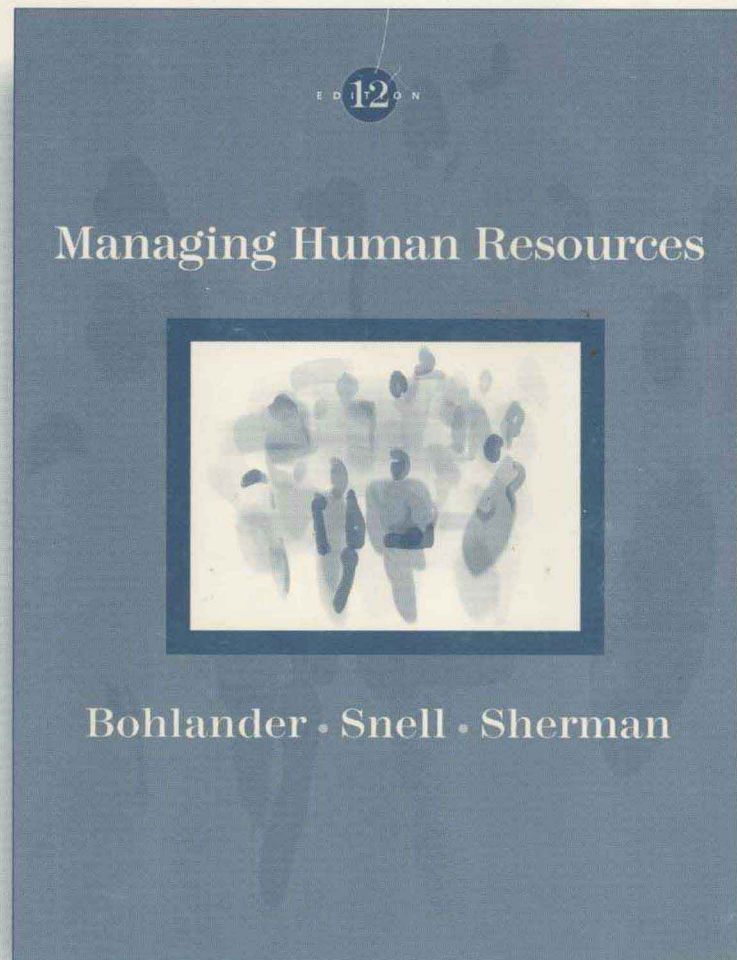


Managing Human Resources

Twelfth Edition



Bohlander, Snell and Sherman

Managing Human Resources

Twelfth Edition

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INTRODUCTION

We are very happy to provide you with the Instructor's Resource Guide to accompany the twelfth edition of *MANAGING HUMAN RESOURCES*. As always, we prepared the material ourselves. The lecture notes contained here reference materials in the textbook as well as transparency acetates (ISBN: 0-324-05579-X) that you may wish to use in your classes.

There are several new electronic resources available to instructors who adopt our textbook for their classes. The Microsoft® PowerPoint slides will be a great addition to your classroom presentations. We would like to thank Libby Shipp, Alice Denny and Alisa Madden, all of South-Western/Thomson Learning, for their work on the new PowerPoint package. The slides are arranged so that you may use them as you follow the Lecture Outline presented in this guide. To facilitate use of the Integrated Learning System, each chapter's learning objectives are presented. Key terms and their definitions are included at the relevant places in the lectures. In addition to the presentation slides available as acetates, there are additional slides available only as PowerPoint. If your classroom resources do not allow the use of a computer and PowerPoint, you may print out any slides directly onto transparency acetates. Request "pure black and white" when you print out slides to be used as handouts or one-color acetates.

There are also CNN video materials (ISBN: 0-324-00991-7) that you may wish to use in your classroom. Check out the details about the videos at <http://bohlander.swcollege.com>.

This Instructor's Resource Guide, as well as the Test Bank, computerized Test Bank, and PowerPoint slides are all available on an Instructor's Resource CD. To request this efficient new resource, contact Thomson Learning's Academic Resource Center at 1-800-354-9706 and ask for ISBN 0-324-055781.










*George Bohlander
Scott Snell*

CHAPTER 1

The Challenge of Human Resources Management

The purpose of this chapter is to acquaint students with the importance of human resources management (HRM) in contributing to the achievement of organizational objectives. In this chapter we discuss how people can be a source of competitive advantage, the competitive challenges facing firms, and the concerns of employees themselves. Students are made aware of some of the important efforts that both large and small companies are making to develop and utilize the talents of their people as well as the changes taking place in the work environment. We end the chapter with a discussion of the roles and competencies of HR managers and line managers working together to make the most of employees' talents.

CHAPTER LEARNING OBJECTIVES

-  **1** Identify how firms gain sustainable competitive advantage through people.
-  **2** Explain how globalization is influencing human resources management.
-  **3** Describe the impact of information technology on managing people.
-  **4** Identify the importance of change management.
-  **5** State HR's role in developing intellectual capital.
-  **6** Differentiate how TQM and reengineering influence HR systems.
-  **7** Discuss the impact of cost pressures on HR policies.
-  **8** Discuss the primary demographic and employee concerns pertaining to HRM.
-  **9** Provide examples of the roles and competencies of today's HR managers.

LECTURE OUTLINE

I. WHY STUDY HRM?

The answer to this question is much the same whether the student plans on a career in HRM or not. Organizations compete through people. Studying HRM gives students an understanding of the systems and processes needed to develop and utilize the talents and energies of employees.



A. Competitive Advantage through People

- The success of organizations increasingly depends on people-embodied know-how—the knowledge, skills, and abilities imbedded in an organization's members. This knowledge base is the foundation of an organization's core competencies (integrated knowledge sets within an organization that distinguish it from its competitors and deliver value to customers). Competitive advantage through people depends on organizations achieving four criteria:
 1. **Value**—People are a source of competitive advantage when they improve the efficiency or effectiveness of the company. Value is increased when employees find ways to decrease costs, provide something unique to customers, or achieve some combination of the two.
 2. **Rare**—People are a source of competitive advantage when their skills, knowledge, and abilities are not equally available to all competitors.
 3. **Difficult to Imitate**—People are a source of competitive advantage when employee capabilities and contributions cannot be copied by others.
 4. **Organized**—People are a source of competitive advantage when their talents can be combined and they can be rapidly deployed to work on new assignments at a moment's notice.
- Competing through people is an important theme for human resource management. Refer to *Presentation Slide 1-1: Overall Framework* for HRM to discuss both the competitive challenges faced by companies and the concerns of employees as well. Ultimately this textbook will provide a set of frameworks for addressing both concerns. The success of most any company depends on balancing these sometimes competing demands.

▼ Presentation Slide 1-1

II. COMPETITIVE CHALLENGES AND HUMAN RESOURCES MANAGEMENT

The Society for Human Resource Management (SHRM) and the Commerce Clearinghouse have identified the most important trends facing human resources. Reinforce the idea that large and small companies are equally affected by these trends.

A. Challenge 1: Going Global



- Many companies are seeking business opportunities in global markets, but globalization is not just something of interest to large firms. Approximately 70–85 percent of the U.S. economy today is affected by international competition. The North American Free Trade Agreement (NAFTA), European Unification (EU), and APEC (Asia Pacific Economic Cooperation) are all focused on helping to establish freer trade among countries in various regions of the world.
- Spend some time discussing with students both the opportunities afforded by international business and the difficulties in managing a global workforce. Mention the challenges of different geographies, cultures, laws, and business practices. HRM issues such as staffing, training, compensation, and labor relations lie at the heart of these concerns. Mention to students that an entire chapter (Chapter 16) will be devoted to international issues in HRM.
- Also, make clear to students that globalization is not just for large companies. Even small companies such as SpringHill and Seven Seas compete globally.



B. Challenge 2: Embracing New Technology

- Ask students to discuss the positive and negative aspects of computers. With advances in information technology, unlimited amounts of data can be stored, retrieved, and used in a wide variety of ways, from simple record keeping to controlling complex equipment. Advanced technology tends to reduce the number of jobs that require little skill and to increase the number of jobs that require considerable skill.
 - Discuss with students their experience with jobs that have moved from “touch labor” to “knowledge workers.” Ask them what kinds of skills these new jobs require. In many cases employee responsibilities expand to include a richer array of activities, such as planning, decision making, and problem solving. It may be the case that current employees can be retrained to assume new roles and responsibilities. Other times new employees have to be hired.
 - Information technology has also influenced the HR function directly. Human resource information systems (HRIS) provide data for purposes of control and decision making in areas such as employee records, payroll operations, absence and holiday administration, recruitment administration, and training administration. The Internet and the World Wide Web have, of course, revolutionized our ability to access technology. Discuss with students their experience using the Web to learn about organizations and their HRM practices and policies.
 - Use *Highlights in HRM 1* to help students who are not familiar with the Internet to get a quick introduction.
- ▼ **Highlights in HRM 1**
- Use *Highlights in HRM 2* to show students a sampling of firms that offer HRM-related software.

▼ **Highlights in HRM 2**



C. Challenge 3: Managing Change

- Programs focused on total quality, downsizing, reengineering, outsourcing, and the like are all examples of organizations making changes to modify the way they operate to be more successful. Some of these changes are reactive while others are proactive and designed to take advantage of targeted opportunities.
- Ask students what changes they think are most important today. Ask them how HRM issues are involved. Although most organizations are undergoing change, it is troubling to note how few have formal change management programs in place to support these initiatives.
- Refer to the textbook for a list of some of the major reasons why change efforts can fail.



D. Challenge 4: Developing Human Capital

- “Human capital” is an overall term used to describe the value of knowledge, skills, and capabilities that may not show up on a company’s balance sheet but nevertheless have tremendous impact on an organization’s performance.
- Ask students to identify companies that are successful because of the talents of their people. Interestingly, these companies need not be filled with brilliant people, although

companies such as Microsoft, Merck, and Hewlett-Packard may be mentioned by students. Other companies in less high-tech industries, such as Southwest Airlines, Disney, or Marriott, may also be mentioned. To build human capital, these organizations must ensure superior knowledge, skills, and experience within their workforce. Staffing and training are important in this regard. Also, performance management and reward systems help motivate employees and direct their skills in directions that benefit the organization.

E. Challenge 5: Responding to the Market



- In meeting customer expectations, managers must focus on quality, innovation, variety, and responsiveness. Total quality management (TQM) is a set of principles and practices whose core ideas include understanding customer needs, doing things right the first time, and striving for continuous improvement. The Malcolm Baldrige National Quality Award has provided the impetus for both large and small companies to rethink their approach to HRM.
- TQM initiatives work best when organizations make other changes in their HRM philosophies and programs. The most important quality-improvement techniques stress employee motivation, change in corporate culture, and employee training/education.
- Mention that TQM balances two opposing forces: (1) the need for order/control (pulls organizations toward stability) and (2) the need for growth/creativity (drives toward disintegration). HR practices help managers balance these two forces.
- Reengineering goes beyond TQM to include more “fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost quality, service, and speed.” HR issues include creating an environment for change, ensuring effective leadership and communication processes, reviewing and modifying administrative systems (e.g., selection, job descriptions, training, career planning, performance appraisal, compensation, and labor relations).

F. Challenge 6: Cost Containing



- Labor costs are one of the largest expenditures of any organization, particularly in service and knowledge-intensive companies. Organizations have tried a number of approaches to reduce costs, particularly labor costs. These include downsizing, outsourcing, and productivity enhancements, each of which has direct impact on HR policies and practices.
- Downsizing is the planned elimination of jobs. In the 1990s, as many as 3,100 layoffs per day were announced, with over 650,000 jobs lost each year. In the largest U.S. firms, 77 percent of the jobs lost in the last decade have been white-collar jobs. Ask students about their experiences (family, friends, themselves) with downsizing.
- Use *Figure 1.2: Top Ten Corporate Job Cutters* as a starting point for discussing what organizations can do to prevent downsizing as well as ease the pain of downsizing when it is necessary.

▼ **Figure 1.2**

- Outsourcing is a newer trend in management that involves hiring someone outside the company to perform tasks that could be done internally. There are several HR

concerns with outsourcing: Employees may lose their jobs, morale and productivity may drop, etc.

- In some cases, the outside vendors may actually hire the displaced employees. This is known as employee leasing. By 2005, the employee leasing industry is expected to increase to \$185 billion in revenues and involve more than 9 million workers.
- In addition to cost-cutting efforts, organizations must find ways to increase productivity (i.e., the output gained from a fixed amount of inputs). Get students to brainstorm ways of increasing productivity either by reducing costs or by increasing the amount that employees produce.
- Use *Presentation Slide 1-2: Productivity Enhancements* to discuss ways in which companies can increase productivity through HRM practices.

▼ **Presentation Slide 1-2**

III. DEMOGRAPHIC AND EMPLOYEE CONCERNS



In addition to competitive challenges, managers need to be concerned about changes in the makeup and expectations of employees. HRM involves being an advocate for employees; that is, making certain the exchange between the organization and its employees is *mutually* beneficial. Refer to *Highlights in HRM 3* as a basis for discussion about social concerns in HRM.

▼ **Highlights in HRM 3**

A. Demographic Changes

Changes in employee backgrounds, age, gender, and education levels are important topics for discussion. They effect both the employees and the employer.

1. **Diversity of Backgrounds**—In the year 2006, white will constitute about 70 percent of the labor force. Blacks will represent 11.6 percent, Hispanics 11.7 percent, and Asians and others nearly 6 percent. These minority groups are expected to account for about 65 percent of the *growth* in the labor-force between now and 2006. To adapt to shifting demographics, organizations are recruiting and training a diverse workforce.
2. **Age Distribution of Employees**—The number of older workers (55 and above) is beginning to rise as baby boomers approach retirement. In contrast, the youth share of the labor force is projected to drop to 16 percent by 2005, placing a strain on businesses looking for new talent. Managers must develop career patterns to smooth out gaps in the numbers and kinds of employees.
3. **Gender Distribution of the Workforce**
 - Women made up 39 percent of the workforce in 1972; by the year 2005 they are expected to account for more than 47 percent. Employers are under increasing pressure to provide equality for women with respect to employment, advancement opportunities, and compensation. They are also trying hard to better accommodate working mothers.
 - Encourage students to discuss employment conditions as they exist today for working mothers and what steps employers and the larger society should take to accommodate them.

4. Rising Levels of Education

- In recent years the educational level of the U.S. workforce has risen dramatically. The most secure and fastest-growing sectors of employment are in those areas requiring higher levels of education.
- Use *Figure 1.4: Education Pays* to discuss the payoff from education.

▼ Figure 1.4

- There is a widening gap between the educated and noneducated. Some individuals are functionally illiterate—i.e., unable to read, write, calculate, or solve problems at a level that enables them to perform even the simplest technical tasks.
- Ask students to identify how demographic issues relate to HRM. Point out that *managing diversity* means being acutely aware of characteristics common to employees, while also managing these employees as individuals.
- Use *Presentation Slide 1-3: Diversity Rationale Poll* to discuss the major business-related reasons for managing diversity.

▼ Presentation Slide 1-3

B. Cultural Changes

The attitudes, beliefs, values, and customs of people are derived from the culture and affect employee behavior on the job and the environment within the organization. Reactions to work assignments, leadership styles, and reward systems are influenced.

- 1. Employee Rights**—Federal laws grant employees the right to equal employment opportunity, union representation if desired, a safe and healthful work environment, a pension plan that is fiscally sound, equal pay for men and women performing essentially the same job, and privacy in the workplace. Mention to students that these issues are all addressed in detail in later chapters of the textbook.
- 2. Concern for Privacy**—Since passage of the federal Privacy Act of 1974, employers have been giving increased attention to employee rights to privacy. The act applies to records maintained by federal government agencies and has led to the passage of several state privacy laws.
- 3. Changing Attitudes toward Work**
 - Employees increasingly expect to exercise certain freedoms from management control. They are more demanding and more questioning. They also seek personal self-expression and fulfillment of potential on the job.
 - Ask students to comment about their views toward work relative to, say, the views of their parents or relatives.
- 4. Balancing Work and Family**
 - Work and family issues are connected in social, economic, and psychological ways. “Family friendly” HR policies may include unconventional hours, day care, part-time work, job sharing, pregnancy leave, parental leave, executive transfers, spousal involvement in career planning, assistance with family problems, and telecommuting. Family friendly benefit options are discussed in Chapter 11.
 - *Figure 1.6* summarizes concerns about balancing home and work.

▼ Figure 1.6

IV. THE PARTNERSHIP OF LINE MANAGERS AND HR DEPARTMENTS



Emphasize to students that managing people is *every manager's business*, and successful organizations are those that combine the expertise of HR specialists with the experience of line managers to develop and utilize the talents of employees to their greatest potential. Addressing HR issues is rarely the responsibility of HR departments acting alone. Instead, HR managers work side-by-side with line managers to address people-related issues of the organization.

A. Responsibilities of the Human Resources Manager

The major activities of HR managers include:

1. **Advice and Counsel**—The HR manager often serves as an in-house consultant to supervisors, managers, and executives.
2. **Service**—HR managers also engage in a host of service activities, such as recruiting, selection, testing, planning and conducting training programs, and hearing employee concerns and complaints.
3. **Policy Formulation and Implementation**—HR managers generally propose and draft new policies or policy revisions to cover recurring problems or to prevent anticipated problems.
4. **Employee Advocacy**—HR managers listen to employee concerns and represent their needs to other managers.

B. Competencies of the Human Resources Manager

Use *Presentation Slide 1-4: Human Resource Competency Model* to discuss with students the competencies required of HR managers.

▼ Presentation Slide 1-4

1. **Business Mastery**—This requires an understanding of the economics of the business, its financial capabilities, its competitors and customers. The result is that HR managers can “join the team” of business managers.
2. **HR Mastery**—HR professionals should keep abreast of changes in areas such as staffing, development, appraisal, rewards, team building, and communication.
3. **Change Mastery**—HR professionals have to be able to effectively merge HR activities with the business needs of the organization. Interpersonal and problem-solving skills are important, as are innovativeness and creativity.
4. **Personal Credibility**—Credibility and trust are earned by developing personal relationships with internal and external customers.

C. The Role of the Line Manager

- Reinforce the idea with students that managing people ultimately depends on effective supervisors and line managers.
- It may likely be the case that most of your students will be line managers and supervisors, rather than HR specialists. For this reason, we have specifically written this book to *help people manage people more effectively*, regardless of their position. Ask students about their career plans and have them indicate how they believe a course in HRM will help them become better managers.

ANSWERS TO END-OF-CHAPTER DISCUSSION QUESTIONS

1. Contrary to what many managers might say, people are not always an organization's most important asset. In fact, many times managers try to suppress the impact that employees can have on the organization (e.g., by designing jobs that don't let individual talents show, by not giving employees input into decisions, etc.). Employees can be the most important asset and directly impact the competitiveness of an organization under certain circumstances. When employees are managed in a way that adds value (via efficiency, innovativeness, etc.), when their skills and competencies are rare and difficult to imitate, and when they are organized in a way that takes advantage of their talents, employees can be an enormously important asset to an organization.
2. Some of the most basic concerns about opening up an office in another country include legal, cultural, and administrative differences. Students should be made aware of the options an organization has in terms of hiring people from the host country versus sending over expatriates. Depending on the people hired, training issues become important, as do issues related to pay, career development, and the like. Chapter 16 focuses directly on these concerns in international HRM.
3. Technology has already eliminated the need for some skills within HRM departments. Administrative tasks can be done more efficiently by automated systems. As with any job, technology is changing the roles played by HR managers and the skills they need. Most observers acknowledge that routine aspects of HRM will be automated or outsourced, but the consultative, business, and strategic roles of HR managers are more important than ever. In the end, there may be fewer HR managers, but their impact on the business is likely to be much greater.
4. Change is inevitable in organizations today. Change can be good in that it helps the organization adapt to environmental challenges. However, it requires that people abandon their old ways of doing things and approach work in a different way. People resist change when they can't control it and don't see the potential payoff. Frequently, the chaos associated with change temporarily hurts performance, morale, and the like. If the change is needed, focused on competitiveness, and implemented through solid leadership, it can and does lead to higher performance.
5. There are many instances in which a single individual's expertise has an enormous influence on an organization. Michael Jordan (Chicago Bulls basketball team) may be someone that students could quickly identify. Mike Eisner at Disney, Bill Gates at Microsoft, and Jack Welch at GE are other recognizable executives. But if students have a difficult time coming up with easily recognizable people, ask them about small companies in town. What would happen at a mom-and-pop store if mom or pop decided to leave? In small businesses especially, the human capital may be almost completely tied up in one or two key individuals. The talent, service, and/or reputation of those key individuals "is" the business.
6. In short, critics charge that TQM only refines existing processes and doesn't attack the underlying problems in delivering value to customers. Just as "paved cowpaths" can be winding and bumpy in getting from one point to another, reengineering advocates point out that TQM does not go far enough in smoothing the route to customer satisfaction. To increase value to customers, HR managers need to be involved in helping to redesign jobs, rethinking how people relate to one another, examining the skills and responsibilities people have, and devising methods for motivating and rewarding their new work systems.
7. If cost pressures mean that organizations "starve" themselves and don't make necessary investments (in people, R&D, etc.) needed for competitiveness, then the costs can be detrimental. But cost is one half of any efficiency or value calculation of an organization. By

focusing on cost, organizations often begin to do things more efficiently. As much as people lament having to “do more with less,” they frequently find that they end up being better at their jobs.

8. Most people would agree that our society would be better off if everyone who wants a job could get one. More directly to the business of running an organization, diversity has its costs and its benefits. It is more difficult to create and manage a diverse workforce. Recruiting is harder to do, and getting people to work together is a challenge. All organizations are based on two design principles: variety and integration. Diversity equals variety, and out of variety comes creativity and innovation. But this only happens if variety/diversity can be integrated and coordinated. Otherwise the organization will fall apart from differences among people.
9. It is probably impossible to answer this question definitively. It is meant to stimulate conversation about the complementary roles within HRM, how they fit together and support the business. Without any one of the roles the pyramid topples. In today’s organizations it may be the case that personal credibility is the most *central* role. Without it, nothing much else matters.

NOTES FOR END-OF-CHAPTER CASE STUDIES

Case Study 1: The Role of HR in Reengineering and Change at Siemens Rolm

1. Siemens Rolm uses several HR practices to help create a learning organization. The new performance appraisal system emphasizes development and learning. Also, management education focuses on culture change to encourage risk taking and new ideas. The new reward system awards skill acquisition and adds a flexible reward program for people who realize extraordinary achievements.
2. In addition to change mastery, business mastery, and personal credibility, Siemens Rolm HR managers might also remember that their technical mastery (functional skills) are important for the success of the company. Tearing down the walls that separate functions and creating teams are both steps in the right direction. Removing bureaucracy is especially important for organizational learning and flexibility. Cross-training and job rotations are two other approaches that may prove beneficial. Communication systems (technology, discussions) will help integrate these areas and improve learning.
3. As far as the case suggests, the change strategy may be too self-contained with the HR function. There has to be a close connection between the strategy of the company and the change initiatives. Ultimately, change has to be led by the top executives and implemented by line managers.

Case Study 2: Managing “Daddy Stress” at Baxter Healthcare

1. Many observers have noted that family-friendly policies are really targeted more to women than men. In many organizations, the culture and (implicit) promotion practices discourage men from taking time for family. Discuss with students the political and culture differences for men versus women in taking family leave.
2. Companies can ensure a family-friendly environment by making policies explicit. For example, decisions about flextime or leave are often made casually or at the discretion of managers. The result tends to be subjectivity and favoritism. Some evidence suggests that minorities often don’t even know about the policies because they have not been adequately communicated.

3. Some of the best practices supporting family-friendly organizations include flextime, job sharing, family leave, part-time work, day-care and elder care support (either on site or financially supported), and flexible benefits.

Case Study 3: Managing Diversity for Competitive Advantage at Deloitte & Touche

1. Rather than suffering from overt discrimination, the problems at Deloitte & Touche stemmed from subtle problems in the work environment and mentoring systems. In a male-dominated business, the men naturally networked with one another, and this excluded women. Although the outcome was unintentional, without mentors women were at a disadvantage.
2. By revamping the work environment to explicitly focus on the development of women and the issues about work/family adjustment, the firm was able to retain women at all levels and promote them to the level of partner. In addition, the firm now has the most female employees in the Big Six (52 percent of the new hires).
3. Additional advice for Deloitte & Touche might touch more broadly on diversity in general (not just gender issues). The competitiveness of the firm depends almost entirely on its human capital, and effectively managing a diverse workforce has the potential to provide a much richer pool of talent.









CHAPTER 2

Equal Employment Opportunity and Human Resources Management

The employment of individuals in an equal and nondiscriminatory manner is mandated by public policy. Therefore, equal employment opportunity has become a major area of concern for HR specialists and individual managers. Employers in all types of organizations must be aware of the laws and court rulings in this area in order to carry out their jobs in a responsible manner. If employers violate the law, the courts and the Equal Employment Opportunity Commission (EEOC) have ruled that ignorance of the law is not a valid defense against discrimination charges.

The purpose of this chapter is to discuss the major federal laws and executive orders, court decisions, and federal guidelines affecting equal employment opportunity. The structure of the EEOC is reviewed, as is the method used by this agency to investigate discrimination charges. The chapter emphasizes the importance of being able to defend employment decisions and to establish quite conclusively that intentional or unintentional discrimination is not being practiced.

CHAPTER LEARNING OBJECTIVES

-  **1** Explain the reasons behind passage of EEO legislation.
-  **2** Identify and describe the major laws affecting equal employment opportunity. Describe bona fide occupational qualification and religious preference as EEO issues.
-  **3** Discuss sexual harassment and immigration reform and control as EEO concerns.
-  **4** Explain the use of the *Uniform Guidelines on Employee Selection Procedures*.
-  **5** Explain the concept of adverse impact and apply the four-fifths rule.
-  **6** Discuss significant court cases impacting equal employment opportunity.
-  **7** Explain various enforcement procedures affecting equal employment opportunity.
-  **8** Describe affirmative action and the basic steps in developing an affirmative action program.

LECTURE OUTLINE

I. HISTORICAL PERSPECTIVE OF EEO LEGISLATION

- Explain that EEO has emerged slowly over the years and that it was not until the mid-1950s and early 1960s that nondiscriminatory employment became a major social concern.



- Three things influenced the importance of EEO: (1) laws governing EEO legislation, (2) changed social attitudes, and (3) research on the poor economic plight of women, minorities, and older workers.

A. Changing National Values

- The poor economic plight of women, blacks, and other minority groups was publicized by mass media coverage of sit-ins and rallies. These events increased national social awareness of EEO.
- The civil rights movement and the women's movement had a large impact on publicizing the poor position of these groups. No longer was discrimination to be routinely accepted by the general public.

B. Economic Disparity

- Research has consistently shown an economic disparity between whites and nonwhites and between men and women.
- Discuss the unemployment rates for blacks and whites and the differences in median weekly earnings among whites, blacks, and Hispanics given in the textbook.

C. Early Legal Developments

- Early laws covering EEO included the Civil Rights Act of 1866, the Unemployment Relief Act of 1933, and Executive Order 8802, establishing the Fair Employment Practices Committee.
- These early laws had little effect, since they were largely ignored by employers, and government agencies lacked the enforcement power to correct social ills.

II. GOVERNMENT REGULATION OF EQUAL EMPLOYMENT OPPORTUNITY



- Use *Presentation Slide 2-1: The Legal Environment* and *Presentation Slides 2-2 and 2-3: Major Laws Affecting Equal Employment Opportunity* to show the seven major laws governing EEO. The Regulatory Model provides an excellent example of how laws come into existence.

▼ **Presentation Slides 2-1, 2-2, and 2-3**

- Have students complete the EEO test in *Highlights in HRM 1*. Students should discuss their answers in groups before reporting their results.

▼ **Highlights in HRM 1**

A. Major Federal Laws

Each of the seven major laws governing EEO should be thoroughly discussed. A complete discussion would include (1) what the law requires, (2) employers who must comply with the law, and (3) permitted employer exceptions.

1. Equal Pay Act of 1963—This law was passed to outlaw discrimination in pay, employee benefits, and pensions based on the worker's gender. The law pertains to employers covered by the Fair Labor Standards Act. It permits employers to pay men and women differently based on seniority systems, merit considerations, or incentive pay plans.

2. Civil Rights Act of 1964

- The act bars discrimination in all HR activities, including hiring, training, promotion, pay, employee benefits, or other conditions of employment because of