

Human Resource Management

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Professor DeNisi has received a number of honors over the years, including being named Honorary Professor, Department of Management, City University of Hong Kong; External Examiner, Human Resource Consulting/Management, Nanyang Business School, Nanyang Polytechnic University, Singapore. His research has also been honored, including winning awards such as The William Owens Award for the Outstanding Publication in Industrial and Organizational Psychology, 1998; Outstanding Publication in Organizational Behavior, Organizational Behavior Division of the Academy of Management, 1997; and Best Paper in Organizational Communications, Organizational Communications Division of the Academy of Management, 1992.

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Welcome to the Land of Change.

If you're familiar with the major businesses in your area, you've probably observed first-hand how dramatically the business environment has changed in recent years. These changes have had a significant impact on the practice of human resource management. What's more, business forecasters predict that the roles of employees, managers, and human resource professionals are likely to see more changes in the decades ahead. Thus, students taking Human Resource Management now will enter a business environment in a few years that requires the ability to apply principles of effective management—and effective human resource practices—to a variety of changing and challenging situations. Helping students meet this test is the goal of this book.

What's Different About Our Text?

Our book primarily differs from others in the field in its approach: its coverage of important topics that are covered briefly, if at all, in other texts; its special features; and its representation of the real human resource issues that will have an impact on students throughout their careers in business. It is our point of view that all future managers need to understand human resource issues, and this assumption has guided everything we have done in this book.

As we begin the twenty-first century, it's becoming absolutely clear that the effective management of a firm's human resources is a major source of competitive advantage and may even be the single most important determinant of a firm's performance long-term. This book is designed to be a tool to help teach future managers about the importance of human resource management and provide some ways to manage those resources more effectively. At the same time, we are aware that not everyone who takes a course in human resource management will become a human resources manager. Many management students are required to take a human resources course, even though they plan to work in some other area of management, and some business students take one because they have some vague notion that "managing people" might be important. These students all deserve the best we can give them.

So as we were writing this book, we thought about the thousands of students we have taught in human resources courses over the years. And we considered what today's students most need in order to function effectively in an environment characterized by changes in the traditional models of work as well as the role of human resources and its relationship to management. You'll find our responses to these challenges outlined below.

Our Book in a Nutshell

We can summarize the approach of this text in a sentence:

This book provides the traditional material students need to know, prepares them for the challenges they need to understand, and engages them in the process of actively considering the impact of effective human resource management on companies and employees.

There are many other technical details that we could have included and that a future human resources manager probably needs to know. Those students, though, will take many other human resources courses in the future, so they will have the opportunity to learn those technical skills. But *all* managers will have to manage people, and many managers will find themselves in a position to be a "consumer" of human resource management. When a manager has problems dealing with people, he or she must usually ask for some expert advice. At that point, a human resources manager is consulted, and that manager will make some recommendations. The operating manager must then decide if these recommendations make sense and should be adopted. This requires the manager to understand something about the theories underlying various human resource practices, and to know something about the difference between good practices and simply popular—or even bad—practices. The well-informed operating manager will need to know what kinds of questions to ask the human resources manager, and what kinds of answers to expect in return.

Examples:

A typical manager does not need to know in great detail the various pieces of civil rights legislation. He or she DOES need to have some basic notion about the law, however, and what types of practices *might* get the company into trouble. Likewise, the typical manager does not need to know how to validate a test or how to conduct a job analysis, but she or he does need to know whether the evidence for validity or the information from the job analysis makes any sense. Furthermore, as more human resource functions are either outsourced or tasked to some center of expertise, the manager needs to have some basis for evaluating the proposals or projects that are submitted. At the very least, the typical manager needs to know what questions should be asked of the internal or external consultant, to make sure that the consultant has considered the relevant issues.

It is our goal to educate future managers well enough to make them better, more informed consumers of human resource practices.

Emerging Topics, Special Features

To prepare students to deal with the human resource challenges they will face in the workforce, we have identified several key topics emerging as critically important, and devoted a separate chapter to each. These include:

- The new relationships between employees and their organizations
- The management of diversity
- The global environment for human resources
- The organizational environment for human resource activities

We have also developed a number of special features to bring human resource management to life and engage students in exploring issues, considering trends, and asking thoughtful questions. Our discussion of each topic is

firmly grounded in theory and research. But at the same time, the variety of cases, exercises, and features brings a perspective to the discussion of these topics that you won't find in other texts.

Every chapter includes . . .

- An opening real-world case highlighting a recent event, issue, or trend that illustrates a major point or theme in the chapter.
- A more detailed closing case with questions to guide discussion.
- "The Bottom Line" at the end of most major sections, explaining the relevance or importance of the topic to the general manager.
- A "Chapter Summary" and "Review and Discussion Questions" to help students review, test, and apply what they have learned.
- "Ethical Dilemmas in Human Resource Management"—scenarios that present a situation related to the chapter material which poses an ethical dilemma. Students are asked to discuss what they believe would be the response of most managers.
- A "Human Resource Internet Exercise" directing students to the Web site of
 a company or organization or to search the Web for information about some
 topic illustrating how organizations are really approaching issues discussed
 in the chapter.
- "Building Human Resource Management Skills"—exercises that require the student to apply the information from the chapter to a specific problem.

Other features appear throughout the book where relevant . . .

- "Human Resources Fad, Fact, or Fashion?" discusses an interesting emerging trend, practice, or idea which may become a long-lasting element of effective human resource management, or may prove to be just the latest fad and lose popularity in the future. The student is invited to reach his or her own conclusion based on the facts presented.
- "Point/Counterpoint" features focus on areas of controversy or disagreement within human resource management, offering the arguments for and against a position, along with some conclusions that leave room for interpretation by the student.
- "Human Resources in the Twenty-first Century" sections identify a trend
 we see as growing, then discuss why the trend or practice is expected to become more common in the future when students are ready to move into
 management.
- "Human Resources Legal Briefs" describe specific legal issues that are especially important and relevant to the chapter topic. Relevant laws and regulations are discussed throughout, but this section calls attention to legal issues that either are the focus of significant public interest or are so important that they are likely to dominate human resource practice in the future.
- "Human Resources Around the Globe" discusses noteworthy human resource management practices from outside the United States, offering a useful background for students who will be working in an increasingly global economy.
- "Human Resources TechTalk" discusses how technology has affected human resource practices.
- "The Lighter Side of HR" reinforces important points made in the chapter with amusing cartoons.

What's Covered, How, and Why

The first section of the text is a chapter that details "The Nature of Human Resource Management." It begins with a brief history of the human resource function but quickly comes to a discussion of the function in contemporary organizations, including the various relationships firms have with their human resource functions, as well as the new role of the human resource function. We show that role as helping companies to be more competitive while insuring a reasonable work setting for employees (including the opportunity to personal growth), and assuring that all this is accomplished within the constraints of the law.

The remainder of the text is organized into five sections: the Environment of Human Resource Management; Staffing the Organization; Enhancing Motivation and Performance; Compensating and Rewarding the Workforce; and Managing the Existing Workforce. Each section consists of three (or, in the final part, four) chapters that deal with the kinds of issues students need to understand.

"The Environment of Human Resource Management" establishes the background against which human resource activities unfold. Here we deal with the role of organizational factors in determining how human resources should be managed, emphasizing the importance of having the human resource function support and help further the firm's strategic goals. We also introduce the reader to the variety of laws and regulations that relate to how we are able to deal with human resource problems that might arise, and we also discuss differences in managing human resources in other countries, as we establish the global environment in which most organizations now exist.

"Staffing the Organization" covers how organizations plan for future human resource needs and then recruit potential applicants for the jobs they will have available. In this section we also deal with some of the more technical aspects of how an organization might go about selecting among those applicants without violating the law. The next two sections deal with ways to enhance performance and motivation. In these sections we discuss how to develop performance appraisal systems and how an organization can use appraisal information to help improve employee performance. The chapter on training and development includes information on how to evaluate any training and development program and also deals with larger scale organizational changes that might be needed. The chapter on careers makes the case for strategic career planning on the part of both the organization and the employee.

The next three chapters cover compensation and benefits. Here we deal not only with basic compensation issues such as job evaluation and establishing a compensation structure, but also with some of the issues involved in developing a system of skill-based or knowledge-based pay. We also discuss various plans and approaches for linking pay to performance and point out the strengths and weaknesses of several of these approaches. Finally, we discuss the role of employee benefits in compensation, and ways in which benefit plans can be used to develop some form of competitive advantage for a firm.

The final section, Managing the Existing Workforce, should help readers understand some issues that will grow in importance as they advance through the workforce. In this section we discuss the importance of both the physical and the psychological environment in which an employee works, along with ways to improve both. We cover traditional topics such as union-management relations, but we also include a number of less traditional topics that we believe are vitally important.

Specifically, in Chapter 15 we cover the importance of employee rights, how these rights relate to disciplinary programs in organizations, and general health and safety issues. We also look at the growing importance of wellness programs at work, the available evidence concerning their effectiveness, and the ways in which jobs can be redesigned to make them more motivating. Finally, we discuss some of the issues associated with AIDS in the workplace, and how an organization might form a policy for dealing with AIDS-related issues.

Chapter 16 deals with the increasingly important topic of managing diversity. We make a special point of presenting what is actually known about the specific impacts of workplace diversity on organizational operations, as distinguished from what is merely speculation.

Chapter 17 explores issues associated with new employment relationships, such as the different types of contracts at work (including psychological contracts), how they have been changing, and the effects of these changes on employees. We also look at several topics not often covered in human resources texts: the problems of managing high-tech employees, especially in a strong economy; problems with managing a temporary workforce; and the issues involved in managing employees who work at different locations (including home) or on different schedules. It is clear that organizations are adopting new technologies as a means of competing, and that high-tech workers will become more common, as will the challenges associated with them. Likewise, many organizations are trying to cushion their permanent workers from the vagaries of the economy by hiring temporary workers when demand is high. As this trend continues to gain popularity, it becomes critically important for managers to understand the advantages and disadvantages of employing temporary workers so that they can better decide if this route is best for their company or department. Finally, new technologies at work have made telecommuting a more common arrangement, and changing needs and desires have made alternative work schedules more common. How well do these arrangements work? This chapter attempts to provide some solid information for the manager contemplating these possibilities.

An Effective Teaching and Learning Package

We are pleased to provide several supplements to help both instructors and students.

- Student and Instructor Web Sites. Student and instructor Web sites provide additional information, guidance, and activities that will help enhance the concepts presented in the text. The student site includes the Internet exercises from the text (with updates as necessary), hyperlinks to the companies highlighted in each chapter, links to sites of general human resource interest, interactive application exercises, and ACE self-tests. The instructor site provides downloadable versions of the lecture outlines from the Instructor's Resource Manual that can be edited or used as is, PowerPoint slides, and the Video Guide.
- Instructor's Resource Manual with Test Bank. This resource includes for each
 chapter the list of learning objectives, a detailed lecture outline, suggested
 answers to all text questions and end-of-chapter activities, and the test bank.
 The Test Bank includes both recall and application oriented multiple-choice,
 essay, short-answer, and scenario-based questions.

Preface

- Computerized Test Bank. With this Windows program, the instructor can select questions and produce test masters for easy duplication. The program gives instructors the option of selecting their own questions or having the program select them. It also allows instructors to customize tests by creating new questions, editing existing ones, and generating multiple versions of tests.
- PowerPoint Slides. PowerPoint slides that are downloadable from the instructor Web site provide an effective presentation tool for lectures and include an outline of the text chapters and selected figures and key term definitions.
- Color Transparencies. Full color transparencies illustrate major topics in the text. Two types of transparencies are included: highlights of key figures from the text and additional images that can be used to enhance lecture presentation.
- Video Package. To illustrate important concepts from the text, real-world video examples from leading organizations are provided. The video segments run from 10 to 20 minutes to allow time for classroom discussion. The Video Guide (available on the Web site) provides suggested uses, teaching objectives, an overview, and issues for discussion for each video segment.

A Final Word

We have attempted to outline the specific approaches and features that distinguish our text from others you may have used or seen. Most of the differences aren't apparent from a quick look at the Contents, but they will be obvious to you as you browse through this book. We believe that both instructors and students will benefit from our efforts to create a text that prepares tomorrow's managers to understand the basic principles of good human resource management, and to be effective and thoughtful partners in creating and implementing successful human resource policies.

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A project such as this is never just the result of one or two people's efforts. There are many people who have contributed to this book, in different ways, over the years. First, we must thank the many (indeed, more than we would like to admit) students who have taken our classes over the years. They endured the process of climbing a learning curve as we learned how and what to teach, and they were the "guinea pigs" whenever we decided to try new ideas or approaches. But, more than that, authors form ideas about how a text should be written only by spending a lot of time observing students using other texts. So, to all the students who complained about the texts we assigned them, we apologize and hope that this book will better meet students' needs, challenge their minds, and engage their interest.

Our colleagues have also helped us form ideas through discussions, as well as through the feedback they provided over the years. These discussions and conversations were critical for crystallizing the concepts that appear in this book. Other feedback from colleagues helped develop better writing skills and allowed each of us to be able to communicate our ideas more clearly. Therefore, we thank all those colleagues from the University of Houston, Purdue University, the University of Missouri, Kent State University, the University of South

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Angelo DeNisi Ricky W. Griffin

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