

MANAGING HUMAN RESOURCES

The background is a vibrant, abstract collage of various colors and shapes. It features several stylized human figures in shades of blue, green, and brown, some appearing to be in motion or interacting. There are also various geometric shapes like triangles, rectangles, and stars, along with thick, expressive brushstrokes in red, black, and blue. The overall composition is dynamic and layered, suggesting a complex and multifaceted subject matter.

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MANAGING HUMAN RESOURCES

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To my wife, Diane, and my two sons, Vince and Alex. L.G.M.

To my parents, Daniel and Jeanne. D.B.B

*To my parents, Ralph and Dorothy; my wife, Laurel;
and my two daughters, Lara and Emery. R.L.C.*

Success in today's competitive business environment is increasingly a function of effective human resource management. Structure and technology can be easily duplicated. The factor that can set apart an organization — whether in manufacturing or services, or in the private or public sector — is its people. The quality of the organization's employees, their enthusiasm and satisfaction with their jobs, and their sense of fair treatment all have a significant impact on the firm's productivity, level of customer service, reputation, and survival. In short, people make the difference in a competitive business environment. Because human resources are critical in every component of the organization, managing human resources effectively is the responsibility of every manager in every functional area: accounting, finance, marketing, purchasing, even human resource management.

Because all business students need to gain an understanding of and expertise in dealing effectively with human resource issues, we have taken a managerial perspective in *Managing Human Resources*. The managerial perspective means presenting and dealing with human resource issues in a manner that is relevant to all students of business. We believe this approach works best because managers in all departments or functions confront HR issues on a daily basis. This means that part of the job of being a supervisor or manager is dealing with people issues. Very few issues regarding the management of people can, or should, be routinely delegated to the HR department. Most HRM textbooks that approach human resource management solely from the perspective of the HR department misrepresent how organizations deal with daily human resource issues. Such texts do not make the dynamic field of HRM relevant to students who do not plan to become HR specialists.

This book provides an engaging and effective approach to addressing human resource issues for students of all majors, from marketing to finance and from management to accounting and economics. It does so for a variety of reasons:

- ▶ Instead of describing tools and techniques in detail and how these are developed (a common approach in functionally oriented HRM texts), each chapter focuses on how managers can *use* these tools to solve human resource problems.
- ▶ Each chapter begins by posing important and provocative challenges. These challenges make the material relevant and interesting to students.
- ▶ The book contains complete chapters on important contemporary topics, such as quality, globalization, and work force diversity. These themes are also interwoven throughout the text.
- ▶ The text pays special attention to the unique needs and conditions of small businesses, a critical and growing sector of the economy. Small business examples to illustrate concepts discussed in each chapter are presented throughout.
- ▶ “Real life” examples, ethical issues, critical incidents, and engaging cases with critical thinking questions and cooperative learning exercises appear in every chapter.

▶ Organization

Managing Human Resources includes an introductory chapter followed by 19 chapters divided into six parts.

Part One provides an overview of emerging challenges in the management of human resources. We identified these challenges through an extensive analysis of the HR issues appearing in the business press over the past five years. We address these challenges in detail in later chapters. Part One also addresses the respective roles of and necessary collaboration between managers and the human resources department.

Part Two considers the contexts in which human resource management takes place. The contextual factors include organizational strategy, work structures and work flows, the legal environment, and work force diversity. The strategy chapter (2) focuses on how to use human resources to support the firm's business strategies. The chapter on work flows (3) discusses how an organization can work to achieve its business objectives. The chapter on legal issues (4) addresses the legal challenges and constraints facing organizations. The last chapter in this part (5) explores the challenges of effectively managing an increasingly diverse work force.

Part Three presents staffing issues and considers how organizations can effectively recruit, select, socialize, and phase out employees. The chapter on recruitment, selection, and socialization (6) examines the process by which organizations attract human resources and then effectively select among the applicants. The chapter on employee separations and outplacement (7) discusses the process of terminating the employment relationship, exploring alternatives to layoffs and different approaches to downsizing the work force.

Part Four addresses the development of human resources. The chapter on appraising and managing performance (8) focuses on the manager as both a judge and a coach. The chapter on training (9) presents training as an ongoing process and as a critical part of maintaining human resource effectiveness. The chapter on career development (10) identifies the roles of the employee and the organization in the career development process.

Part Five examines compensation issues. The chapter on managing compensation (11) explains the important choices managers face when designing a compensation system and covers different approaches to salary management. The chapter on rewarding performance (12) examines the challenges of tying employees' pay to their performance. The benefits chapter (13) explains the significance of employee benefits programs and how managers are containing costs in this area.

Part Six looks at the governance of the workplace and the employer-employee relationship. The employee relations chapter (14) looks at the ways managers and the HR department can improve the quality of communications within the organization. The chapter on employee rights (15) examines the challenges of balancing those rights with the rights of managers. The chapter also offers guidelines for managing discipline and dealing with difficult employee problems such as chronic absenteeism and alcohol abuse. The organized labor chapter (16) examines why employees might seek to be represented by a union and how unions alter the employer-employee relationship. The workplace safety and health chapter (17) explains the regulations that govern health and safety in the workplace and emerging health and safety issues that pose challenges to managers.

Part Seven addresses contemporary HR issues that are likely to have a sizable and direct effect on firm performance as the twentieth century comes to an end. Chapter 18 focuses on how firms can meet global HR challenges. (Global issues are discussed throughout the book, but this chapter provides an integrated treatment of these issues.) Chapter 19 provides an in-depth examination of how human resources may be used to enhance the quality of products and services. Chapter 20 discusses a set of approaches that organizations use to assess whether or not human resources are being used effectively.

► Features

Managing Human Resources contains a number of innovative pedagogical features.

Chapter Organization

Each chapter contains a number of teaching tools:

- An outline of chapter contents
- A list of key terms and key concepts with page references
- A set of learning objectives phrased as management challenges
- An opening vignette that draws students into the chapter
- A running marginal glossary of key terms
- A summary and conclusions section
- Two “critical incidents” based on the experiences of small, medium-sized, and large businesses, with discussion questions
- Two case studies with critical thinking questions and cooperative learning exercises
- Notes and references

In addition, each chapter includes numerous examples of HRM practices at a wide variety of companies, from small, service-providing organizations to huge megacorporations. A concise dictionary of HRM terminology is provided at the end of the book, along with a subject index and a name, company, and product index.

Themes

In addition to the managerial perspective, we thread several themes throughout this book. These themes include:

- The need for proactive human resource management and cooperation between line managers and the HR department
- The importance of operating within the legal framework
- HRM in small businesses
- Work force diversity as a source of competitive advantage in the global economy
- The role of human resources in total quality management
- The changing forces of technology and their implications for human resource management.

“Questions of Ethics”

Each chapter contains several questions aimed at generating classroom discussion of ethical issues. These are placed in the margins close to the text discussions of these issues.

Manager’s Notebooks

To emphasize our managerial perspective, we’ve included at least one Manager’s Notebook per chapter. These notebooks provide management tips on a variety of issues that managers confront daily, from managing telecommuters successfully to conducting exit interviews to implementing a TQM program in a small business.

HRM Highlights

Students enjoy reading additional examples and stories about HRM practices both in the United States and around the globe. They also enjoy sinking their teeth into current debates. To provide more information on the former, we've sprinkled "Company Close-Up" and "Global HRM" features throughout the text. "Issues and Applications" features in selected chapters discuss the latter.

Critical Incidents

Each chapter includes two critical HR incidents based on the experiences of real-world companies. The discussion questions that accompany these brief exercises give students the opportunity to apply what they've learned in each chapter.

Case Studies with Critical Thinking Questions and Cooperative Learning Exercises

All chapters end with two case studies. We've developed these cases over the years and tested them in our classes, where they've generated excellent discussion. Critical thinking questions ask students to analyze the facts and situations presented in the case. Cooperative learning exercises ask students to work together, in pairs or in groups, to brainstorm ideas and arrive at solutions.

Video Cases

Each of the seven parts of the book concludes with a video case and discussion questions. The accompanying videos are included in the ABC News/Prentice Hall Video Library.

► The Teaching and Learning Package

Each component of the teaching and learning package has been carefully crafted to ensure that the HRM course is rewarding for both instructors and students.

Instructors' Resource Manual with Video Guide

Prepared by Professor Carolyn Wiley of the University of Tennessee at Chattanooga, the IRM includes one chapter for every chapter in the student text. Each chapter includes:

- A chapter overview/lecture launcher
- Annotated outline (including all text features)
- Answers to all questions
- In-depth analysis of all in-text discussion questions, cooperative learning exercises, critical incidents, and case studies

The video guide includes for each clip:

- General information (title, source, airdate, running time)
- A brief synopsis
- Tie-in to the text
- Suggestions for using the clip in class

In addition, the IRM includes six integrative case studies prepared by the authors, one each for Parts Two through Seven of the text.

Test Item File

Prepared by Professor James Dupree of Grove City College, the test item file includes more than 2,000 questions. Each chapter includes 100 questions (multiple choice, situational multiple choice, true/false, and essay). All questions are rated by level of difficulty (easy, moderate, challenging) and page-referenced to the text.

Prentice Hall Test Manager

The test item file is designed for use with the Prentice Hall Test Manager, a computerized package that allows users to custom design, save, and generate classroom tests. Available in both 3.5" and 5.25" IBM versions, the test manager also permits professors to edit and add or delete questions from the test item file and to export files to various word processing programs, including WordPerfect and Microsoft Word.

For those with limited access to computers or clerical support, Prentice Hall's Telephone Testing Service allows instructors to order customized tests by calling a toll-free telephone number a few days before the test is to be administered. Please contact your Prentice Hall representative for more information.

Human Resources Simulation

The *Human Resources Management Simulation*, by Jerald R. Smith and Peggy Golden, is the first interactive, competitive business simulation game for HRM. The software and manuals realistically portray the HR department of a moderate size organization, focusing on the issues of daily HR work and asking students to make decisions that optimize the HR function. They are available as stand-alone items or shrinkwrapped to the text at a nominal fee.

Transparency Resource Package with Electronic Transparencies

There are more than 200 charts and figures in *Managing Human Resources*. Of these, 100 have been prepared as full-color or two-color 8 1/2" × 11" acetates. Professor Lewis Hershey has also prepared a series of lecture notes for each acetate and an electronic version of the transparencies for Windows.



ABC News/Prentice Hall Video Library for Human Resource Management

ABC News and Prentice Hall have combined their experience in academic publishing and global reporting to provide a comprehensive video ancillary for the text. The library contains 24 news clips from such ABC news programs as *Nightline*, *World News Tonight*, and *20/20*. Each clip has been chosen to illustrate or supplement a specific discussion in the text; ask your sales representative for a demonstration video. Seven of these clips accompany the video cases that conclude each part of the text. A Video Guide is included in the Instructor's Resource Manual.

The New York Times "Themes of the Times" Program

The *New York Times* and Prentice Hall are sponsoring "Themes of the Times": a program designed to enhance student access to current information of relevance in the classroom.

Through this program, the core subject matter provided in the text is supplemented by a collection of time-sensitive articles from one of the world's most distinguished newspapers, the *New York Times*. These articles demonstrate the vital, ongoing connections between what is learned in the classroom and what is happening around us.

A new edition of the mini-newspaper is available semiannually. In addition, a reduced subscription rate to the *New York Times* is available in deliverable areas. For more information, call 1-800-631-1222.

► Acknowledgments

The contributions of many people made this book possible. Steven Rigolosi, managing development editor, provided us with direction and expertise and, when needed, motivation to complete this project. He threw himself into this book and exhibited total commitment to the project. His effort and editing contributions were outstanding. Nancy Brandwein provided significant assistance in supplementing the text with business examples. Ken Carson, Associate Professor at the University of Tennessee at Chattanooga, also provided editorial assistance and added immeasurably to the content of this book. We also owe a debt of gratitude to Steve Thomas of Southwest Missouri State University and to Carolyn Wiley of the University of Tennessee at Chattanooga. We would also like to note the support and enthusiasm of Natalie Anderson, Diane Pierano, Lisamarie Brassini, Carole Freddo, and Nancy Proyect.

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based on the number of publications in the *Journal of Applied Psychology*. He was doctoral coordinator in ASU's management department for five years and received a University Mentor Award in 1993 for his work with doctoral students. He is co-author of a column on current issues in HRM and received an Academy of Management certificate for outstanding service as a columnist for the HR division newsletter. Professor Cardy was a 1992 recipient of a certificate for significant contributions to the quality of life for students at ASU. His research focuses on performance appraisal and effective HRM practices in a quality-oriented organizational environment.

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