



Brief Contents

PART 1 Introduction 33

- Chapter 1 Managing Human Resources Today 33
- Chapter 2 Managing Equal Opportunity and Diversity 56
- Chapter 3 Human Resource Strategy and Analysis 86

PART 2 Staffing: Workforce Planning and Employment 113

- Chapter 4 Job Analysis and Talent Management 114
- Chapter 5 Personnel Planning and Recruiting 146
- Chapter 6 Selecting Employees 180

PART 3 Training and Human Resource Development 221

- Chapter 7 Training and Developing Employees 222
- Chapter 8 Performance Management and Appraisal 255
- Chapter 9 Managing Careers 282

PART 4 Compensation and Total Rewards 319

- Chapter 10 Developing Compensation Plans 320
- Chapter 11 Pay for Performance and Employee Benefits 354

PART 5 Employee and Labor Relations 389

- Chapter 12 Maintaining Positive Employee Relations 390
- Chapter 13 Labor Relations and Collective Bargaining 417
- Chapter 14 Improving Occupational Safety, Health, and Risk Management 449

PART 6 Special Issues In Human Resource Management 483

- Module A Managing HR Globally 483
- Module B Managing Human Resources in Small and Entrepreneurial Firms 500



Contents

Preface 25

Acknowledgments 30

About the Author 31

PART 1 Introduction 33

Chapter 1 Managing Human Resources Today 33

What Is Human Resource Management? 34

Why Is Human Resource Management Important to All Managers? 35

Line and Staff Aspects of HRM 36

Line versus Staff Authority 36

Line Managers' Human Resource Management Responsibilities 36

The Human Resource Department 37

The Trends Shaping Human Resource Management 38

Workforce Diversity Trends 38

Technology and Workforce Trends 39

■ **HR AS A PROFIT CENTER: Boosting Customer Service** 41

Globalization and Competition 41

Economic Challenges 41

Economic and Workforce Projections 42

Consequences for Today's Human Resource Managers 43

HR and Performance 44

HR and Performance and Sustainability 45

HR and Employee Engagement 45

HR and the Manager's Human Resource Philosophy 45

■ **HR IN PRACTICE: SAS and Google Put Their HR Philosophies into Practice** 47

HR and Strategy 47

Sustainability and Strategic Human Resource Management 48

HR and Human Resource Competencies 48

HR and the Manager's Skills 48

The Human Resource Manager's Competencies 49

HR and Ethics 50

HRCI Certification 50

The Plan of this Book 50

The Chapters 50

Review 51

Summary 51 • Key Terms 52 • Discussion Questions 52

• Individual and Group Activities 53

Application Exercises 53

■ **HR IN ACTION CASE INCIDENT 1: Jack Nelson's Problem** 53

■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 54

Experiential Exercise 55

Chapter 2 Managing Equal Opportunity and Diversity 56

Equal Employment Opportunity Laws 57

Background 57

Equal Pay Act of 1963 57

Title VII of the 1964 Civil Rights Act 57

Executive Orders 58

Age Discrimination in Employment Act of 1967 58

Vocational Rehabilitation Act of 1973	58
Pregnancy Discrimination Act of 1978	58
Federal Agency Uniform Guidelines on Employee Selection Procedures	58
Selected Court Decisions regarding Equal Employment Opportunity (EEO)	59
The Civil Rights Act of 1991	59
The Americans with Disabilities Act	60
Uniformed Services Employment and Reemployment Rights Act	61
Genetic Information Nondiscrimination Act of 2008	61
State and Local Equal Employment Opportunity Laws	62
Religious and Other Types of Discrimination	62
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES	63
Sexual Harassment	64
Diversity Counts	66
■ HR PRACTICES AROUND THE GLOBE: Applying Equal Employment Law Abroad	67
Social Media and HR	67
Summary	67
Recent Trends in Discrimination Law	68
Defenses against Discrimination Allegations	68
The Central Role of Adverse Impact	69
■ KNOW YOUR EMPLOYMENT LAW: Dealing with a Charge of Discrimination	71
Bona Fide Occupational Qualification	71
Business Necessity	72
Illustrative Discriminatory Employment Practices	72
■ BUILDING YOUR MANAGEMENT SKILLS: Discrimination Law—Knowing What You Can and Cannot Do	73
The EEOC Enforcement Process	75
Processing a Discrimination Charge	75
Voluntary Mediation	75
Mandatory Arbitration of Discrimination Claims	77
Diversity Management and Affirmative Action	77
Diversity's Barriers and Benefits	77
■ HR AS A PROFIT CENTER: How diversity drives higher profits	79
Managing Diversity	79
Equal Employment Opportunity versus Affirmative Action	80
Reverse Discrimination	80
Review	81
Summary	81
• Key Terms	81
• Discussion Questions	82
• Individual and Group Activities	82
Application Exercises	83
■ HR IN ACTION CASE INCIDENT 1: The Emiratization of HRM Practices at a Petroleum Company	83
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	84
Experiential Exercise	84

Chapter 3 Human Resource Strategy and Analysis 86

The Strategic Management Process	87
■ HR PRACTICES AROUND THE GLOBE: The Shanghai Portman's New Human Resource Management Strategy	87
The Basic Management Planning Process	88
What Is Strategic Planning?	89
The Strategic Management Process	89
Types of Strategies	92
Managers' Roles in Strategic Planning	94
Strategic Human Resource Management	94
What Is Strategic Human Resource Management?	94
■ HR IN PRACTICE: The Zappos "WOW" Way	96
Strategic Human Resource Management Tools	96
Improving Performance through HRIS	98

HR Metrics and Benchmarking 99

Types of Metrics 99

Benchmarking 100

Strategy and Strategy-Based Metrics 100

Workforce/Talent Analytics and Data Mining 100

■ **HR AS A PROFIT CENTER: Using Workforce/Talent Analytics** 101

Using HR Audits 102

Evidence-Based HR and the Scientific Way of Doing Things 103

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES** 104**Building High-Performance Work Systems 104**

High-Performance Human Resource Policies and Practices 104

Employee Engagement and Organizational Performance 105

Why Is Employee Engagement Important? 105

The Employee Engagement Problem 106

What Can Managers Do to Improve Employee Engagement? 106

How to Measure Employee Engagement 107

Employee Engagement Guide for Managers 107

How Kia Motors (UK) Improved Performance with an HR Strategy Aimed at Boosting Employee Engagement 107

The Challenges 107

The New Human Resource Management Strategy 108

■ **BUILDING YOUR MANAGEMENT SKILLS: How to Execute an Employee Engagement Strategy** 108

The Results 108

Review 109Summary 109 • Key Terms 110 • Discussion Questions 110
• Individual and Group Activities 110**Application Exercises 111**■ **HR IN ACTION CASE INCIDENT 1: Siemens Builds a Strategy-Oriented HR System** 111■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 112

Experiential Exercise 112

PART 2 Staffing: Workforce Planning and Employment 113**Chapter 4 Job Analysis and Talent Management 114****The Talent Management Process 115**

Improving Performance through HRIS 116

The Basics of Job Analysis 116

What Is Job Analysis? 116

Uses of Job Analysis Information 117

Steps in Job Analysis 118

■ **HR AS A PROFIT CENTER: Boosting Productivity through Work Redesign** 119**Methods for Collecting Job Analysis Information 120**

The Interview 120

■ **BUILDING YOUR MANAGEMENT SKILLS: Interviewing Guidelines** 121

Questionnaires 122

Observation 122

Participant Diary/Logs 122

Quantitative Job Analysis Techniques: The Position Analysis Questionnaire (PAQ) 122

Electronic Job Analysis Methods 126

Writing Job Descriptions 126

Job Identification 126

Job Summary 128

Relationships 129

Responsibilities and Duties 129

■ **BUILDING YOUR MANAGEMENT SKILLS: Determining the Job's Duties** 129

Social Media and HR 130

■ **KNOW YOUR EMPLOYMENT LAW: Writing Job Descriptions That Comply with the ADA** 130

Standards of Performance and Working Conditions 131

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Using O*NET** 132

Writing Job Specifications 134

Specifications for Trained versus Untrained Personnel 135

Specifications Based on Judgment 135

Job Specifications Based on Statistical Analysis 135

The Job-Requirements Matrix 136

Employee Engagement Guide for Managers 136

The Employee Engagement Manager's Job Description 136

Job Specifications and Employee Engagement 136

The Employee Engagement Manager's Job Description 136

Using Competencies Models 138

■ **HR PRACTICES AROUND THE GLOBE: Daimler Alabama Example** 139

How to Write Competencies Statements 140

Review 141

Summary 141 • Key Terms 142 • Discussion Questions 142

• Individual and Group Activities 143

Application Exercises 143

■ **HR IN ACTION CASE INCIDENT 1: Recruiting In Europe** 143

■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 144

Experiential Exercise 144

Chapter 5 Personnel Planning and Recruiting 146

Workforce Planning and Forecasting 147

Strategy and Workforce Planning 148

Forecasting Personnel Needs (Labor Demand) 149

Improving Performance through HRIS 151

Forecasting the Supply of Inside Candidates 151

Forecasting the Supply of Outside Candidates 153

Predictive Workforce and Talent Management 153

■ **HR PRACTICES AROUND THE GLOBE: Predicting Labor Needs** 154

■ **BUILDING YOUR MANAGEMENT SKILLS: Developing an Action Plan to Match Projected Labor Supply and Labor Demand** 154

Why Effective Recruiting Is Important 155

The Recruiting Yield Pyramid 155

Developing the Brand 156

■ **KNOW YOUR EMPLOYMENT LAW: Preemployment Activities** 156

Internal Sources of Candidates 156

Finding Internal Candidates 157

Employee Engagement Guide for Managers 157

Internal Recruitment and Promotion-from-Within 157

Outside Sources of Candidates 158

Informal Recruiting and the Hidden Job Market 158

Recruiting via the Internet 158

Social Media and HR 159

Improving Performance through HRIS 160

Advertising 161

Employment Agencies 162

Temporary Workers and Alternative Staffing 163

■ **KNOW YOUR EMPLOYMENT LAW: Contract Employees** 164

Offshoring and Outsourcing Jobs 165

Executive Recruiters 165

■ **BUILDING YOUR MANAGEMENT SKILLS: Working with Recruiters** 166

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Recruiting** 166

Referrals and Walk-Ins 167

- On-Demand Recruiting Services 168
- College Recruiting 168
- Telecommuters 169
- Military Personnel 169
- **BUILDING YOUR MANAGEMENT SKILLS: How to Improve the Recruitment Effort** 170
- **HR AS A PROFIT CENTER: Cutting Recruitment Costs** 170

Recruiting a More Diverse Workforce 171

- Recruiting Women 171
- Recruiting Single Parents 171
- Older Workers 171
- Diversity Counts 172
- Recruiting Minorities 172
- The Disabled 173

Developing and Using Application Forms 173

- Purpose of Application Forms 173
- **BUILDING YOUR MANAGEMENT SKILLS: HR Tools for Line Managers and Entrepreneurs** 173
- **KNOW YOUR EMPLOYMENT LAW: Application Forms and EEO Law** 175
- **KNOW YOUR EMPLOYMENT LAW: Mandatory Arbitration** 175

Review 176

- Summary 176 • Key Terms 177 • Discussion Questions 177
- Individual and Group Activities 177

Application Exercises 178

- **HR IN ACTION CASE INCIDENT 1: Ya Kun Kaya International** 178
- **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 179

Experiential Exercise 179

Chapter 6 Selecting Employees 180

The Basics of Testing and Selecting Employees 181

- Why Careful Selection Is Important 181
- Reliability 182
- Validity 182
- How to Validate a Test 183
- **HR AS A PROFIT CENTER: Reducing Turnover at KeyBank** 184
- **KNOW YOUR EMPLOYMENT LAW: Testing and Equal Employment Opportunity** 185
- **BUILDING YOUR MANAGEMENT SKILLS: Protecting Employees' Individual Rights and Test Privacy** 185

Types of Tests 186

- Tests of Cognitive Abilities 187
- Tests of Motor and Physical Abilities 187
- Measuring Personality 187
- Achievement Tests 189
- **HR PRACTICES AROUND THE GLOBE: Testing for Assignments Abroad** 189
- Computerized and Online Testing 190
- Improving Performance through HRIS 190
- Work Samples and Simulations 191
- Situational Judgment Tests 191
- Management Assessment Centers 191
- Video-Based Situational Testing 192
- The Miniature Job Training and Evaluation Approach 192
- **HR IN PRACTICE: Selecting Employees at Honda's New Car Plant** 192
- Computerized Multimedia Candidate Assessment Tools 192
- **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Employee Testing and Selection** 193

Interviewing Candidates 193

- Types of Selection Interviews 193
- Improving Performance through HRIS 197

Diversity Counts	197
How Useful Are Interviews?	198
How to Avoid Common Interviewing Mistakes	198
■ BUILDING YOUR MANAGEMENT SKILLS: How to Conduct an Effective Interview	200
■ KNOW YOUR EMPLOYMENT LAW: Interviewing Candidates	201
Using Competencies Models and Profiles in Employee Interviews	201
Using Other Selection Techniques	203
Background Investigations and Reference Checks	203
■ KNOW YOUR EMPLOYMENT LAW: Giving References	205
■ BUILDING YOUR MANAGEMENT SKILLS: How to Obtain More Useful Reference Information	205
Social Media and HR	206
Honesty Testing	206
■ BUILDING YOUR MANAGEMENT SKILLS: How to Spot Dishonesty	208
Graphology	209
■ HR AS A PROFIT CENTER: Using Integrity Tests	209
Medical Exams	209
Drug Screening	209
Realistic Job Previews	210
Tapping Friends and Acquaintances	210
Making the Selection Decision	210
How Useful Are Testing and Selection Devices?	210
Complying with Immigration Law	211
Improving Performance through HRIS	211
Developing and Extending the Job Offer	211
Employee Engagement Guide for Managers	212
Building Engagement: A Total Selection Program	213
The Toyota Way	213
Review	214
Summary	214
• Key Terms	215
• Discussion Questions	215
• Individual and Group Activities	216
Application Exercises	216
■ HR IN ACTION CASE INCIDENT 1: Ethics and the Out-of-Control Interview	216
■ HR IN ACTION CASE INCIDENT 2: Honesty Testing at Carter Cleaning Company	217
Experiential Exercise	218
Appendix: The Structured Situational Interview	219

PART 3 Training and Human Resource Development 221

Chapter 7 Training and Developing Employees 222

Orienting/Onboarding New Employees	223
The Purposes of Employee Orientation/Onboarding	223
The Orientation Process	223
■ KNOW YOUR EMPLOYMENT LAW: The Employee Handbook	225
Employee Engagement Guide for Managers: Onboarding at Toyota	225
Overview of the Training Process	226
■ KNOW YOUR EMPLOYMENT LAW: Training and the Law	226
Aligning Strategy and Training	226
■ HR AS A PROFIT CENTER: The Training Program That Turned Macy's Around	227
The ADDIE Five-Step Training Process	227
Conducting the Training Needs Analysis	227
Designing the Training Program	230
■ BUILDING YOUR MANAGEMENT SKILLS: How to Motivate the Trainee	231
Developing the Program	232
Implementing the Training Program	232
On-the-Job Training	232
Apprenticeship Training	233
Informal Learning	233

Job Instruction Training	234
Lectures	234
Programmed Learning	234
Behavior Modeling	235
Audiovisual-Based Training	235
Vestibule Training	235
Electronic Performance Support Systems (EPSS)	235
Videoconferencing	235
Computer-Based Training (CBT)	236
Simulated Learning	236
Improving Performance through HRIS	236
The Virtual Classroom	237
Mobile Learning	238
Social Media and HR	238
Lifelong and Literacy Training Techniques	238
Diversity Training	239
■ HR IN PRACTICE: Diversity Training at ABC Virtual Communications, Inc.	239
Team Training	239
■ BUILDING YOUR MANAGEMENT SKILLS: HR Tools for Line Managers and Small Businesses	240

Implementing Management Development Programs 241

Strategy's Role in Management Development	241
Succession Planning	241
Improving Performance through HRIS	242
Managerial On-the-Job Training	243
■ HR PRACTICES AROUND THE GLOBE: Global Job Rotation	243
Off-the-Job Management Training and Development Techniques	244
Leadership Development at GE	246
Talent Management and Differential Development Assignments	246

Managing Organizational Change Programs 246

■ BUILDING YOUR MANAGEMENT SKILLS: How to Bring About a Change at Work	247
Using Organizational Development	247

Evaluating the Training Effort 248

Designing the Study	248
Training Effects to Measure	248

Review 250

Summary	250	• Key Terms	251	• Discussion Questions	251
• Individual and Group Activities	252				

Application Exercises 252

■ HR IN ACTION CASE INCIDENT 1: The Mentorship Program at TVH	252
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company: The New Training Program	253

Experiential Exercise	254
-----------------------	-----

Chapter 8 Performance Management and Appraisal 255

Basic Concepts in Performance Appraisal 256

Steps in Performance Appraisal	256
Why Appraise Performance?	256
Defining the Employee's Performance Standards	257
■ HR AS A PROFIT CENTER: Setting Performance Goals at Ball Corporation	258
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: How to Set Effective Goals	258
Who Should Do the Appraising?	259
Social Media and HR	261

Appraisal Methods 261

Graphic Rating Scale Method	261
Alternation Ranking Method	263
Paired Comparison Method	263

Forced Distribution Method	263
Critical Incident Method	266
Behaviorally Anchored Rating Scales	266
Appraisal Forms in Practice	266
The Management by Objectives Method	266
Improving Performance through HRIS	267
Virtual Appraisal Games	268
Electronic Performance Monitoring	268
Talent Management and Employee Appraisal	268
Conversation Days	269

How to Deal with Performance Appraisal Problems and the Appraisal Interview 270

■ BUILDING YOUR SKILLS: How to Make Sure the Appraisal Is Fair	270
Clarify Standards	270
Avoid Halo Effect Ratings	271
Avoid the Middle	271
Don't Be Lenient or Strict	272
Diversity Counts	272
■ KNOW YOUR EMPLOYMENT LAW: Appraising Performance	273
■ BUILDING YOUR MANAGEMENT SKILLS: How to Conduct the Appraisal Interview	273

Employee Engagement Guide for Managers: Use the Appraisal Interview to Build Engagement 275

Performance Management 276

Total Quality Management and Performance Appraisal	276
What Is Performance Management?	276
Using Information Technology to Support Performance Management	277
■ HR PRACTICES AROUND THE GLOBE: Performance Management at General Dynamics Armament Systems (GDAS)	277
The Manager's Role in Performance Management	278

Review 278

Summary	278	• Key Terms	279	• Discussion Questions	279
• Individual and Group Activities	279				

Application Exercises 280

■ HR IN ACTION CASE INCIDENT 1: Appraising the Secretaries at Sweetwater U	280
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	281

Experiential Exercise 281

Chapter 9 Managing Careers 282

Career Management 283

Careers Today	283
Psychological Contract	284
The Employee's Role in Career Management	284
The Employer's Role in Career Management	285
■ HR IN PRACTICE: Intuit's Job Rotation Program	286
Employer Career Management Methods	286
Diversity Counts	288
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: The Manager's Role in Employee Career Development	288

Improving Coaching Skills 290

■ BUILDING YOUR MANAGEMENT SKILLS: How to Be an Effective Coach	290
Being a Better Mentor	290
Improving Performance through HRIS	292

Employee Engagement Guide for Managers 292

Career Management	292
The New Psychological Contract	292
Commitment-Oriented Career Development Efforts	293
■ HR IN PRACTICE: Career Development at Medtronic	294

Managing Employee Retention and Turnover 294■ **HR AS A PROFIT CENTER:** Costs of Turnover 295

Managing Voluntary Turnover 295

Retention Strategies for Reducing Voluntary Turnover 296

A Comprehensive Approach to Retaining Employees 297

Social Media and HR 298

■ **HR PRACTICES AROUND THE GLOBE:** IBM's New Workforce 298

Job Withdrawal 298

Managing Promotions and Transfers 299■ **KNOW YOUR EMPLOYMENT LAW:** Establish Clear Guidelines for Managing Promotions 299

Decision 1: Is Seniority or Competence the Rule? 300

Decision 2: How Should We Measure Competence? 300

Decision 3: Is the Process Formal or Informal? 301

Decision 4: Vertical, Horizontal, or Other? 301

Diversity Counts 301

Managing Transfers 302

Managing Retirements 302

Managing Dismissals 303■ **KNOW YOUR EMPLOYMENT LAW:** Termination at Will 303

Grounds for Dismissal 304

Avoiding Wrongful Discharge Suits 305

Supervisor Liability 305

■ **BUILDING YOUR MANAGEMENT SKILLS:** Managing the Termination Interview 306

Layoffs and the Plant Closing Law 307

Adjusting to Downsizings and Mergers 308

Review 308

Summary 308 • Key Terms 309 • Discussion Questions 309

• Individual and Group Activities 309

Application Exercises 310■ **HR IN ACTION CASE INCIDENT 1:** Goelectrix 310■ **HR IN ACTION CASE INCIDENT 2:** Carter Cleaning Company 311

Experiential Exercise 311

Appendix: Managing Your Career and Finding a Job 312**PART 4 Compensation and Total Rewards 319****Chapter 10 Developing Compensation Plans 320****The Basic Factors in Determining Pay Rates 321**

Aligning Total Rewards with Strategy 321

Equity and Its Impact on Pay Rates 321

Legal Considerations in Compensation 322

■ **KNOW YOUR EMPLOYMENT LAW:** The Independent Contractor 324

Union Influences on Compensation Decisions 326

Pay Policies 327

■ **HR AS A PROFIT CENTER:** Wegmans Foods 327■ **HR PRACTICES AROUND THE GLOBE:** Compensating Expatriate Employees 328**Job Evaluation Methods 328**

What Is Job Evaluation? 328

Salary Surveys 329

Compensable Factors 330

Preparing for the Job Evaluation 330

Job Evaluation Methods: Ranking 331

■ **BUILDING YOUR MANAGEMENT SKILLS:** How to Create a Pay Scale for a Company by Using the Job Ranking Job Evaluation Method 331

Job Evaluation Methods: Job Classification 333

Job Evaluation Methods: Point Method 333

Wage Curves	334
Pay Grades	334
Rate Ranges and the Wage Structure	334
Computerized Job Evaluations	335
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Developing a Workable Pay Plan	336

Pricing Managerial and Professional Jobs 337

Compensating Executives and Managers	337
What Determines Executive Pay?	337
Compensating Professional Employees	338
Improving Performance through HRIS	339

Contemporary Topics in Compensation 339

Competency-Based Pay	339
■ HR IN PRACTICE: JLG's Skill-Based Pay Program	340
Broadbanding	340
Comparable Worth	341
Diversity Counts	342
Board Oversight of Executive Pay	342

Employee Engagement Guide for Managers 343

Total Rewards Programs	343
Total Rewards and Employee Engagement	343

Review 344

Summary	344	•	Key Terms	345	•	Discussion Questions	345
•	Individual and Group Activities	345					

Application Exercises 346

■ HR IN ACTION CASE INCIDENT 1: Salary Inequities at AstraZeneca	346
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	347

Experiential Exercise 347

Appendix: How to Create a Market-Competitive Pay Plan Using the Point Plan Job Evaluation Method 348

Chapter 11 Pay for Performance and Employee Benefits 354

Individual Employee Incentive Plans 355

Individual Incentive Plans: Piecework Plans	355
Employee Incentives and the Law	355
Merit Pay as an Incentive	356
Incentives for Professional Employees	356
Nonfinancial and Recognition-Based Awards	357
■ HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES	357
Social Media and HR	358
Job Design	358
■ HR IN PRACTICE: Using Financial and Nonfinancial Incentives in a Fast-Food Chain	358
Incentives for Salespeople	359
■ BUILDING YOUR MANAGEMENT SKILLS: How to Build an Effective Sales Incentive Plan	360
Incentives for Managers and Executives	360
Short-Term Managerial Incentives and the Annual Bonus	361
Executives' Strategic Long-Term Incentives	361

Team and Organization-Wide Incentive Plans 363

How to Design Team Incentives	363
Profit-Sharing Plans	363
Gainsharing Plans	364
At-Risk Pay Plans	364
Employee Stock Ownership Plans	364

Benefits and Services: The Benefits Picture Today 365

Pay for Time Not Worked and Insurance Benefits 366

Unemployment Insurance	366
■ BUILDING YOUR MANAGEMENT SKILLS: How to Control Unemployment Claims	366

Vacations and Holidays 367

■ **KNOW YOUR EMPLOYMENT LAW: Some Legal Aspects of Vacations and Holidays** 367

Sick Leave 368

Social Media and HR 368

■ **HR AS A PROFIT CENTER: Cutting Absences at the Driver and Vehicle Licensing Agency** 368

Parental Leaves and the Family and Medical Leave Act 369

■ **KNOW YOUR EMPLOYMENT LAW: Parental Leave Legal Issues** 369

Severance Pay 369

Supplemental Unemployment Benefits 370

Insurance Benefits 370

Workers' Compensation 370

Hospitalization, Health, and Disability Insurance 371

■ **KNOW YOUR EMPLOYMENT LAW: Patient Protection and Affordable Care Act of 2010** 372

Tools for Employer Health Care Cost Control 373

■ **HR AS A PROFIT CENTER: The Doctor Is on the Phone** 375

Long-Term Care 375

Life Insurance 376

Benefits for Part-Time and Contingent Workers 376

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Benefits and Employee Leasing** 376

Retirement and Other Benefits 377

Social Security 377

Pension Plans 377

■ **KNOW YOUR EMPLOYMENT LAW: Pension Planning and the Law** 378

Pensions and Early Retirement 378

Improving Performance through HRIS 379

Personal Services and Family-Friendly Benefits 379

Personal Services 379

Family-Friendly (Work–Life) Benefits 379

Other Job-Related Benefits 380

Diversity Counts 380

Executive Perquisites 380

Flexible Benefits Programs 380

■ **HR AS A PROFIT CENTER: NES Rentals Holdings, Inc.** 381

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: “Costless” Small-Business–Friendly Benefits** 382

Employee Engagement Guide for Managers 383

Costco’s Compensation Plan 383

Review 384

Summary 384 • Key Terms 385 • Discussion Questions 386

• Individual and Group Activities 386

Application Exercises 387

■ **HR IN ACTION CASE INCIDENT 1: Striking for Benefits** 387

■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 387

Experiential Exercise 388

PART 5 Employee and Labor Relations 389

Chapter 12 Maintaining Positive Employee Relations 390

Employee Relations 391

Employee Relations Programs for Building and Maintaining Positive Employee Relations 391

Ensuring Fair Treatment 391

■ **HR PRACTICES AROUND THE GLOBE: The Foxconn Plant in Shenzhen, China** 393

Improving Employee Relations through Communications Programs 394

Develop Employee Recognition/Relations Programs 395

Use Employee Involvement Programs 395

Social Media and HR 396

■ **HR IN PRACTICE: The Cost-Effective Suggestion System** 397

The Ethical Organization 397

Ethics and Employee Rights 397

What Shapes Ethical Behavior at Work? 397

The Person (What Makes Bad Apples?) 398

Which Ethical Situations Make for Ethically Dangerous (Bad Cases) Situations? 398

What Are the “Bad Barrels”?—The Outside Factors That Mold Ethical Choices 398

Steps Managers Take to Create More Ethical Environments 399

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES: Small Business Ethics** 401

■ **KNOW YOUR EMPLOYMENT LAW: Electronic Monitoring** 403

■ **HR AS A PROFIT CENTER: Monitoring and Profits** 404

Managing Employee Discipline 404

The Three Pillars of Fair Discipline 405

Diversity Counts 406

■ **BUILDING YOUR MANAGEMENT SKILLS: How to Discipline an Employee** 406

Discipline without Punishment 407

Employee Engagement Guide for Managers 408

How Companies Become “Best Companies to Work For” 408

The “Best Companies to Work For” 408

SAS: Great Benefits, Trust, and Work-Life Balance 408

Google: Happiness and People Analytics 409

FedEx: Guaranteed Fair Treatment 409

A “Best Company” Human Resource Philosophy 411

Review 412

Summary 412 • Key Terms 412 • Discussion Questions 413

• Individual and Group Activities 413

Application Exercises 414

■ **HR IN ACTION CASE INCIDENT 1: Enron, Ethics, and Organizational Culture** 414

■ **HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company** 415

Experiential Exercise 415

Ethics Quiz Answers 416

Chapter 13 Labor Relations and Collective Bargaining 417

The Labor Movement 418

Why Do Workers Organize? 418

Employee Engagement Guide for Managers: Employee Engagement and Unionization 419

What Do Unions Want? 419

The AFL-CIO and the SEIU 420

Unions and the Law 421

Period of Strong Encouragement: The Norris-LaGuardia Act (1932) and the National Labor Relations Act (1935) 421

Period of Modified Encouragement Coupled with Regulation: The Taft-Hartley Act (1947) 422

Period of Detailed Regulation of Internal Union Affairs: The Landrum-Griffin Act (1959) 423

Social Media and HR 424

The Union Drive and Election 424

Step 1: Initial Contact 424

Improving Performance through HRIS 426

Step 2: Authorization Cards 426

Step 3: The Hearing 427

Step 4: The Campaign 427

■ **BUILDING YOUR MANAGEMENT SKILLS: What Supervisors Can and Cannot Do** 428

■ **KNOW YOUR EMPLOYMENT LAW: Rules Regarding Literature and Solicitation** 428

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES:** What to Do When the Union Comes Calling 429

Step 5: The Election 430

How to Lose an NLRB Election 431

■ **HR PRACTICES AROUND THE GLOBE:** France Comes to the Workers' Aid 431

The Collective Bargaining Process 432

What Is Collective Bargaining? 432

What Is Good-Faith Bargaining? 432

The Negotiating Team 432

■ **HR AS A PROFIT CENTER:** Costing the Contract 433

Bargaining Items 433

Bargaining Stages 433

■ **BUILDING YOUR MANAGEMENT SKILLS:** How to Negotiate 435

Impasses, Mediation, and Strikes 435

The Contract Agreement 438

Contract Administration: Dealing with Grievances 439

■ **BUILDING YOUR MANAGEMENT SKILLS:** Guidelines for Handling a Grievance 440

What's Next for Unions? 441

Why the Union Decline? 441

What Are Unions Doing About It? 441

Cooperative Clauses 442

■ **HR IN PRACTICE:** Labor-Management Cooperation and Works Councils in America 443

Strategies for Cooperative Labor-Management Relations 443

Review 444

Summary 444 • Key Terms 444 • Discussion Questions 445

• Individual and Group Activities 445

Application Exercises 446

■ **HR IN ACTION CASE INCIDENT 1:** Negotiating with the Writers Guild of America 446

■ **HR IN ACTION CASE INCIDENT 2:** Carter Cleaning Company 447

Experiential Exercise 447

Chapter 14 Improving Occupational Safety, Health, and Risk Management 449

Employee Safety and Health: An Introduction 450

Why Safety Is Important 450

■ **HR AS A PROFIT CENTER:** Improving Safety Boosts Profits 450

Management's Role in Safety 450

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES:** The Supervisor's Role in Accident Prevention 451

A Manager's Briefing on Occupational Law 451

OSHA Inspections and Citations 452

OSHA Responsibilities and Rights of Employers and Employees 454

■ **HR TOOLS FOR LINE MANAGERS AND SMALL BUSINESSES:** Free On-Site Safety and Health Services 454

What Causes Accidents? 456

Unsafe Working Conditions 456

Unsafe Acts 457

What Traits Characterize "Accident-Prone" People? 457

How to Prevent Accidents 457

Reduce Unsafe Conditions 457

■ **BUILDING YOUR MANAGEMENT SKILLS:** Checklist of Mechanical or Physical Accident-Causing Conditions 460

Provide Personal Protective Equipment 462

Diversity Counts 462

Reduce Unsafe Acts 463

Screen to Reduce Unsafe Acts 463

Provide Safety Training	463
Improving Performance through HRIS	463
Use Posters, Incentives, and Positive Reinforcement	464
■ HR IN PRACTICE: Using Positive Reinforcement	464
Foster a Culture of Safety	465
Establish a Safety Policy	465
Set Specific Loss Control Goals	465
Conduct Regular Safety and Health Inspections	465
Organize a Safety Committee	466
■ HR IN PRACTICE: Safety at Saudi Petrol Chemical	467
Employee Engagement Guide for Managers	467
Milliken & Company—World-Class Safety through Employee Engagement	467
The Milliken Safety Program	467
Workplace Health: Problems and Remedies	468
Chemicals, Air Quality, and Industrial Hygiene	468
■ KNOW YOUR EMPLOYMENT LAW: Hazard Communication	469
Alcoholism and Substance Abuse	469
Job Stress and Burnout	471
Computer Monitor and Ergonomic Health Problems and How to Avoid Them	472
Infectious Diseases	473
Workplace Smoking	473
Occupational Security and Risk Management	474
Enterprise Risk Management	474
Preventing and Dealing with Violence at Work	474
■ BUILDING YOUR MANAGEMENT SKILLS: Guidelines for Firing a High-Risk Employee	476
Setting Up a Basic Security Program	476
Emergency Plans and Business Continuity	477
Social Media and HR	477
Terrorism	478
■ HR PRACTICES AROUND THE GLOBE: Dealing with Terrorism Abroad	478
Review	479
Summary	479
• Key Terms	479
• Discussion Questions	479
• Individual and Group Activities	480
Application Exercises	480
■ HR IN ACTION CASE INCIDENT 1: The Office Safety and Health Program	480
■ HR IN ACTION CASE INCIDENT 2: Carter Cleaning Company	481
Experiential Exercise	482

PART 6 Special Issues In Human Resource Management 483

Module A Managing HR Globally 483

HR and the Internationalization of Business	484
The Human Resource Challenges of International Business	484
What Is International Human Resource Management?	485
How Intercountry Differences Affect Human Resource Management	485
International Employee Selection Issues	487
International Staffing: Home or Local?	487
■ HR AS A PROFIT CENTER: Reducing Expatriate Costs	488
Values and International Staffing Policy	489
Special Tools for Selecting International Managers	490
Diversity Counts	490
Social Media and HR	491
How to Avoid Failed International Assignments	491
Training and Maintaining International Employees	492
Orienting and Training Employees on International Assignment	492

Performance Appraisal of International Managers 493

International Compensation 493

■ **HR IN PRACTICE: Expat Pay at CEMEX** 493

Safety and Fair Treatment Abroad 494

Repatriation: Problems and Solutions 494

Managing HR Globally 495

How to Put a Global HR System into Practice 495

Developing a More Effective Global HR System 496

Making the Global HR System More Acceptable 496

Implementing the Global HR System 496

Review 497

Summary 497 • Key Terms 497 • Discussion Questions 498

Application Exercises 498

■ **HR IN ACTION CASE INCIDENT 1: "Boss, I Think We Have a Problem"** 498

Module B Managing Human Resources in Small and Entrepreneurial Firms 500

The Small Business Challenge 501

How Small Business Human Resource Management Is Different 501

Why HRM Is Important to Small Businesses 502

■ **HR AS A PROFIT CENTER: The Dealership** 502

Using Internet and Government Tools to Support the HR Effort 503

Complying with Employment Laws 503

Employment Planning, Recruiting, and Selection 505

Social Media and HR 505

Employment Training 506

Employment Appraisal and Compensation 506

Employment Safety and Health 507

Leveraging Small Size: Familiarity, Flexibility, Fairness, Informality, and HRM 507

Simple, Informal Employee Selection Procedures 507

Flexibility in Training 507

Flexibility in Benefits and Rewards 508

Fairness and the Family Business 509

Using Professional Employer Organizations 510

Managing HR Systems, Procedures, and Paperwork 510

Introduction 510

Basic Components of Manual HR Systems 511

Automating Individual HR Tasks 512

Human Resource Information Systems (HRIS) 512

HRIS Vendors 512

HR and Intranets 512

Review 513

Summary 513 • Discussion Questions 514

Application Exercises 514

■ **HR IN ACTION CASE INCIDENT 1: Carter Cleaning Company: The New Pay Plan** 514

Appendix A: PHR® and SPHR® Knowledge Base 515

Appendix B: Comprehensive Cases 524

Glossary 535

Name/Organization Index 543

Subject Index 552