Preface

The management of human resources is critical for companies to provide "value" to customers, shareholders, employees, and the community where they are located. Value includes not only profits but also employee growth and satisfaction, creation of new jobs, protection of the environment, and contributions to community programs. All aspects of human resource management including acquiring, preparing, developing, and compensating employees can help companies meet their competitive challenges and create value. Also, effective human resource management requires an awareness of broader contextual issues affecting business such as the economic recession, legal issues, and globalization. Both the popular press and academic research show that effective human resource management practices do result in greater value for shareholders and employees. For example, the human resource management practices at companies such as SAS, Google, Edward Jones, and W. L. Gore help them earn recognition on *Fortune* magazine's list of "The Top 100 Best Companies to Work For." This publicity creates a positive vibe for these companies, helping them attract talented new employees, motivate and retain current employees, and make their services and products more desirable to consumers.

Engaging, Focused, and Applied: Our Approach in *Fundamentals of Human Resource Management*

Following graduation most students will find themselves working in businesses or not-for-profit organizations. Regardless of their position or career aspirations, their role in either directly managing other employees or understanding human resource management practices is critical for ensuring both company and personal success. As a result, *Fundamentals of Human Resource Management* focuses on human resource issues and how HR is used at work. *Fundamentals of Human Resource Management* is applicable to both HR majors and students from other majors or colleges who are taking a human resource course as an elective or a requirement. Our approach to teaching human resource management involves *engaging* the student in learning through the use of examples and best practices, *focusing* them on the important HR issues and concepts, and providing them the opportunity to *apply* what they have learned through end-of-chapter cases and in-chapter features. Students not only learn about best practices but they are actively engaged through the use of cases and decision making. As a result, students will be able to take what they have learned in the course and apply it to solving human resource management problems they will encounter on their jobs.

For example, as described in detail in the guided tour of the book, each chapter includes "Thinking Ethically" which confronts students with ethical issues that occur in managing human resources, "HR Oops!", which highlights human resource management issues that were handled poorly, and several different cases (*BusinessWeek* cases and additional end-of-chapter cases). All of these features encourage students

to critically evaluate human resource–related situations and problems that have occurred in companies and apply the chapter concepts.

"Did You Know" boxes are included in each chapter. The information provided in these boxes shows how the issues discussed in the chapter play out in companies. Some examples include what turns off an interviewer, how job satisfaction is slipping, and the top 10 causes of workplace injuries.

Adopters of *Fundamentals* have access to Manager's Hot Seat exercises which include video segments showing scenarios that are critical for HR success including ethics, diversity, working in teams, and the virtual workplace. Students assume the role of manager as they watch the videos and answer questions that appear during the segments—forcing them to make on-the-spot decisions. *Fundamentals of Human Resource Management* also assists students with "how to" perform HR activities such as responding to complaints of harassment, which they are likely to have to address as part of their jobs. Finally, the eHRM boxes show how the Internet and other technologies can be useful in managing human resources on a daily basis.

The author team believes that the focused, engaging, and applied approach distinguishes this book from others that have similar coverage of HR topics. The book has timely coverage of important HR issues, is easy to read, has many features that grab the students' attention, and gets the students actively involved in learning. We would like to thank those of you who have adopted previous editions of *Fundamentals*, and we hope that you will continue to use upcoming editions! For those of you considering *Fundamentals* for adoption, we believe that our approach makes *Fundamentals* your text of choice for human resource management.

Organization

Fundamentals of Human Resource Management includes an introductory chapter (Chapter 1) and five parts.

Chapter 1 discusses why human resource management is an essential element for an organization's success. The chapter introduces human resource management practices and human resource professionals and managers' roles and responsibilities in managing human resources. Also, ethics in human resource management is emphasized.

Part 1 discusses the environmental forces that companies face in trying to effectively use their human resources. These forces include economic, technological, and social trends, employment laws, and work design. Employers typically have more control over work design than development of equal employment law or economic, technological, or social trends, but all affect how employers attract, retain, and motivate human resources. Some of the major trends discussed in Chapter 2 include how workers are trying to find employment and make ends meet as the U.S. economy moves from recession to recovery, greater availability of new and inexpensive technology for human resource management, the growth of human resource management on a global scale, the types of skills needed for today's jobs, and a focus on aligning human resource management with a company's overall strategy. Chapter 3, "Providing Equal Employment Opportunity and a Safe Workplace," presents an overview of the major laws affecting employers in these areas and ways that organizations can develop human resource practices that are in compliance with the laws. Chapter 4, "Analyzing Work and Designing Jobs," shows how jobs and work systems determine the knowledge, skills, and abilities that employees need to provide services or produce products and influence employees' motivation, satisfaction, and safety at work. The process of analyzing and designing jobs is discussed.

Part 2 deals with identifying the types of employees needed, recruiting and choosing them, and training them to perform their jobs. Chapter 5, "Planning for and Recruiting Human Resources," discusses how to develop a human resource plan. The strengths and weaknesses of different employment options for dealing with shortages or excesses of human resources including outsourcing, use of contract workers, and downsizing are emphasized. Strategies for recruiting talented employees including use of electronic recruiting sources such as job boards and blogs are emphasized. Chapter 6, "Selecting Employees and Placing Them in Jobs," emphasizes that selection is a process starting with screening applications and résumés and concluding with a job offer. The chapter takes a look at the most widely used methods for minimizing errors in choosing employees including applications and résumés, employment tests, and interviews. Selection method standards such as reliability and validity are discussed in understandable terms. Chapter 7, "Training Employees," covers the features of effective training systems. Effective training includes not only creating a good learning environment, but managers who encourage employees to use training content in their jobs and employees who are motivated to learn. The advantages and disadvantages of different training methods, including e-learning, are discussed.

Part 3 discusses how to assess employee performance and capitalize on their talents through retention and development. In "Managing Employees' Performance" (Chapter 8), we examine the strengths and weaknesses of different performance management systems including controversial forced distribution or ranking systems. "Developing Employees for Future Success" (Chapter 9) shows the student how assessment, job experiences, formal courses, and mentoring relationships can be used to develop employees for future success. Chapter 10, "Separating and Retaining Employees," discusses how to maximize employee satisfaction and productivity and retain valuable employees as well as how to fairly and humanely separate employees if the need arises because of poor performance or economic conditions.

Part 4 covers rewarding and compensating human resources, including how to design pay structures, recognize good performers, and provide benefits. In Chapter 11, "Establishing a Pay Structure," we discuss how managers weigh the importance and costs of pay to develop a compensation structure and levels of pay for each job given the worth of the jobs, legal requirements, and employee's judgments about the fairness of pay levels. The advantages and disadvantages of different types of incentive pay including merit pay, gainsharing, and stock ownership are discussed in Chapter 12, "Recognizing Employee Contributions with Pay." Chapter 13, "Providing Employee Benefits," highlights the contents of employee benefit packages, the ways that organizations administer benefits, and what companies can do to help employees understand the value of benefits and control benefits costs. The chapter also includes a new section on the Health Care legislation passed by Congress in 2010. The discussion includes a general overview of the Law's provisions as they relate to companies providing health care as an employee benefit.

Part 5 covers other HR goals including collective bargaining and labor relations, managing human resource globally, and creating and maintaining high-performance organizations. "Collective Bargaining and Labor Relations" (Chapter 14) explores human resource activities where employees belong to unions or are seeking to join unions. Traditional issues in labor-management relations such as union structure and membership, the labor organizing process, and contract negotiations are discussed, as well as new ways unions and management are working together in less adversarial and more cooperative relationships. In "Managing Human Resources Globally" (Chapter 15), HR planning, selection, training, and compensating in international

settings are discussed. We show how global differences among countries affect decisions about human resources. The role of human resources in creating an organization that achieves a high level of performance for employees, customers, community, shareholders, and managers is the focus of Chapter 16, "Creating and Maintaining High-Performance Organizations." The chapter describes high-performance work systems and the conditions that contribute to high performance and introduces students to the ways to measure the effectiveness of human resource management.