attraction policies and programmes 391–92
attraction strategies 395
attrition, labour turnover 40
attrition, pay 740

B&Q 125, 590, 650, 655
Bae Systems 573
balanced learning 615
balanced score card 42–44, 68
bargaining
  collective bargaining 756–58
  conventions 797–98
  and negotiating 795
  process of 796–97
  single table 786–87
  skills 804–05
  tactics 802–03
base pay 627
behaviour, influences on 244–45
behaviour modelling 342
behavioural competencies
  analysis of 193–98
  defined 160
  behavioural expectations 226
  behavioural science 284–85
benchmarking
  and best fit 138
  use in assessing HR effectiveness 67
best fit 138–39
best place to work 82, 394
best practice 135–38
big idea, the 8, 305–06
biodata 429–29
Black & Decker 590
black box, the 20
blended learning 563, 566, 570
bounded rationality 226
briefing groups see team briefing
Britannia Building Society 411
British Psychological Society 469
broad-banded grade and pay structures 693–94
broad-graded grade and pay structures 691–92
bulletins 823
bullying 154
bundling 139–40, 873–74
business partner role of HR practitioners 32, 73, 79
business planning and human resource planning 363–64
business process re-engineering 26, 357
business strategy 54
business strategy, integrating HR strategy with 134
business to employees 899–900
cafeteria scheme 730
call-out allowances 735
capability procedure 883–85
career dynamics 400, 481–82
career family grade and pay stricture 696
career management
  aims 400
  defined 399
  demand and supply forecasts 403
  dynamics 400
  modelling 403
  performance and potential assessments 402
  policies 400, 402
  process of 400, 401
  succession planning 403–04
  talent audits 402
  and talent management 393
  use of computers 904
career map 405
career path 406
career planning
  competency band approach 405
  defined 404
  use of career family grade structures 406
career progression 400
case study 581
CBI 769
Central Arbitration Committee (CAC) 770
Centrica 407–08
change
  incremental change 74
  operational change 345
  resistance to 345–47
  role of HR in facilitating 54–6
  strategic change 344–45
change agents, HR practitioners as 74
change management
  Beckhard’s change model 347–48
  change management models 347–51
  the change process 343–44
  contribution of HR 55
  guidelines for 56, 75, 351–52
  Lewin’s change model 347
  Thurley’s change model 348
  transformational change 74
characteristics of people see people, characteristics of
Chartered Institute of Personnel and Development (CIPD) 37, 48–49, 84, 86, 92, 535, 593, 613, 652, 734, 742, 742, 743, 866, 868, 873
check-off system 790
Children’s Society 127
CIFO Research 38
closed shop 790
coaching 567–69
Code of Professional Conduct, CIPD 84
cognitive learning 560
cognitive theory
  of learning 551
  of motivation 258–59
cohesion in HRM 54, 139–40
collective agreements
  as frameworks for collective bargaining 783
  partnership 784–85
  procedural agreements 783–84
  substantive agreements 784
collective bargaining
  bargaining levels 786
  bargaining power 756–57
  conjunctive bargaining 757
  co-operative bargaining 757
  defined 756, 783
  distributive bargaining 757
  as an exchange relationship 756
  integrative bargaining 757–58
  as a joint regulating process 756
  and negotiating 795
  as a political relationship 756
  as a power relationship 756
  procedural agreements 783–84
  single-table bargaining 786–87
  substantive agreements 783
collectivism 759
commitment
  concept of commitment and engagement 271
  contribution of HR to developing commitment
    defined 271–72, 273–74
  and employee relations 761
  enhancing 281–82
  factors affecting 277–78
  and flexibility 276
  gaining 83, 181–82
  ‘hearts and minds’ approach 12, 761
  and HRM 12, 13–14, 59
impact of 276–77
influences on 280–81
and motivation 277
mutual commitment strategy and mutuality 275
orientation 4
problems with concept 275–77
significance of 274–75
strategy 278–79
and trust 220
and the unitary frame of reference 275–76
committed employee 472
communications
  analysing problems 821–22
  areas 819–20
  bulletins 823
  DVDs 823
  employee involvement 823
  ‘good communications’ theory 818
  importance of 817
  intranet 822
  magazines 822
  news letters 822
  notice boards 823
  objectives 820
  on reward matters 748–49
  strategy 819, 821
  team briefing 824–25
  what employees want to hear 821
  what management wants to say 819, 821
communities of practice 178, 181, 182, 609
compa-ratios 691, 739–40
competence defined 161
competence-related pay 714–16
competencies
  analysis of 193–98
  behavioural 160
  clusters 160
  coverage 164
  defined 159
  and emotional intelligence 170–71
  graded 164–65
  performance 160
  reasons for using 163
  role-specific 164
  technical 161
  threshold 160
  typical competencies 162–63
competencies, use of
  in assessment centres 166
Subject index

defining technical competencies 169
in learning and development 166
in performance management 165–66
in recruitment and selection 166
in reward management 166–67
competency analysis 193–98
competency band approach to career planning 406
competency-based approach to recruitment and selection 413–14
competency-based approach to management development 600
defined 159, 160
frameworks 161–63
competency analysis
analysing behavioural competencies 193
analysing technical competencies 198
critical-incident technique 196
expert opinion 193
functional analysis 198
modelling 901–02
purpose 193
repertory grid 196–98
structured interview 193–95
workshop 194–95
competency frameworks
defined 161
development of 167–69
headings 161–63
competitive advantage 14, 26, 29, 73, 113, 116, 117, 220
competitive edge 305
competitive pressures 25–26
competitive strategy 135, 136
computer-assisted job evaluation 667–68
computer-managed learning 903–04
computerized HR information systems
applications 899–906
auditing 906
benefits of 890
characteristics of 896
defined 889
developing an information system 895–99
an effective system, features of 893
expert systems 905–06
functions of 891–92
problems 894–95
rating of system features 892–93
reasons for 889
strategy 890–91
technical infrastructure 892
conciliation 787
Confederation of British Industry (CBI) 769
configuration 139–40
conflict 301
conjunctive bargaining 757
consultation see joint consultation
content (needs) theory of motivation 254, 255, 257–58
contingency theory 24, 138
contingent pay
alternatives to 712
arguments for and against 710–11
choice of approach 721
comparison of schemes 722–23
competence-related pay 71, 714–15
contribution-related pay 716–17
criteria for 713
defined 628, 708
developing and implementing contingent pay 724
incentives and rewards 709–10
incidence of 708–09
as a motivator 709
nature of 709
organization-wide schemes 725–27
performance-related pay 713–14
readiness for 721–23
service related pay 720–21
skill-based pay 718–20
team-based pay 724–25
continuous improvement 54, 126, 356–57
contracts of employment 858–59
convergence of international HR policies 101–02
cooperative bargaining 757
core workers 761
corporate culture see organizational culture
corporate governance 634
corporate university 544, 573
Counsel for Excellence in Management 46–47
counselling 852
criterion behaviour 616
critical-incident competence analysis
   technique 196
culture see organizational culture
culture fit 135
custom and practice 755, 776
CVs 486
dashboard 51
Data Protection Act 1998 469, 869–70
data warehouse 178
Delloite and Touche 42–43
demand forecasting 373
dependency culture 96
de-recognition, trade unions 782–83
development
  action learning 573–74
  blended learning 570–71
  defined 535, 570–71
  impact of 574
  personal development planning 571–72
  planned experience 572
development and talent management 393
development centres 600–02
Diageo 127
directors and executives, rewards for
  corporate governance 634
  elements of pay 635–36
discipline 881
  approach to handling cases 489–90
  disciplinary procedure 881–83
discretionary behaviour 34, 247, 264, 499
discretionary effort 251–52
discussion 580–81
dismissal
  definition 487
  fair dismissal 488
  fundamental questions 487–88
  handling disciplinary cases 489–90
  legal framework 487
  reasonable in the circumstances, concept of 488–89
  remedies 489
  unfair dismissal 488
dispute resolution
  arbitration 787–88
  conciliation 787
  mediation 788
distributive bargaining 757
distributive justice 222
divergence of international HR practices 101–02
diverse needs, meeting 10
diversity see managing diversity
Donovan Commission 763–64
double-loop learning 541–42
downsizing 208, 387, 482
dress codes 863
Economic and Social Research Council 211
Education 535
efficiency wage theory 626
effort bargain 626
Egg 125
e-HR see computerized HR information systems
e-learning
  aim 584
  blended 586, 587
  business case for 586–87
  defined 583
  delivery 586
  development of 588–89
  examples 590
  process of 585–87
  programme content 585–86
  technology 584–85
  types 583–84
elderly employees 850
e-mails, policy on 156, 874–75
emotional intelligence
  and competencies 170–71
  components of 170, 602–03
  defined 170, 602
  development of 171, 603
employee assistance programmes (EAPs) 852–53
employee benefits
  defined 628, 729
  flexible benefits 730–31
  objectives 729–30
  taxation 730
  types of 730
employee engagement see engagement
employee handbook 474–75
employee profiling 901
employee relations
  defined 751–52
  elements of 754
  and HRM 761–62
  individualism 759
  informal processes 788–89
  pluralist view 758–59
  policies 774–78
  power sharing 774
  strategy 127, 778–79
unitary view 758
employee relations climate
defined 779
an ethical approach 780
improving the climate 780
employee relations policies
approaches to 774
expressing policy 777–78
formulation 776–77
nature and purpose 774
policy areas 775
policy choices 775–76
policy formulation 776–77
employee relations strategies
formulating 779
nature and purpose 778
strategic directions 778–79
employee resourcing see resourcing
employee satisfaction measures 67
employee share schemes 698
employee scheduling 900–01
employee turnover/wastage
choice of measurement 379–80
cost of 381
half-life index 379
incidence of 382
labour turnover index 376–77
length of service analysis 379
methods of measurement 369–74
reasons for analysing labour turnover 375
reasons for turnover 380–81
significance of 376
stability index 379
survival rate 377–78
use of computers 900
employee voice
attitude surveys 813–15
defined 807
concept of 807
factors affecting 810
forms of 810–11
framework for 808–09
involvement 808
joint consultation 811–12
participation 808, 810
planning for 815
suggestion schemes 814
upward problem solving 810–11
employee welfare see welfare
employees, gaining support and commitment 83
employer brand 82
employer branding 395–96
‘employer of choice’ 383, 396
employers’ associations 769
employment relationship
basis of 217
changes to 218
defined 215
defining the employment relationship 217
and employee relations 751
and employee relations policies 775
managing the employment relationship 218–19
nature of 215–16
and the psychological contract 225, 229
significance of 218
and trust 220–23
Employment Appeal Tribunal 771
employment practices 857
employment tribunals 770
empowerment 12, 13, 75
engaged performance 282
see also engagement
engagement 29, 272–73
equal opportunity 866
equal opportunity monitoring 905
equity theory of motivation 261–62
e-recruitment
advantages 421
approach 422
sites 422
usage 421–22
e-reward 742
ERG theory of motivation (Alderfer) 257
ethical considerations
approach to employee relations 780
for HR practitioners 84
in recruitment and selection 443
ethical standards in the firm 85
ethnic monitoring 867–68
ethnocentric policy 101
European Foundation for Quality management (EFQM) 44–45
European works councils 810
evaluating the HR function 66–69
evaluating learning
application of 619–20
levels of 616–18
reason for 615
by return on investment 618
training evaluation 616
use of evaluation tools 619
exchange theory 207
executive search consultants 424
exit interviews 380–81
expatriates, management of expense of 104
preparation policy 106
realistic previews 106
recruitment and selection policies 105–06
resourcing policies 105
role specifications 106
training 107
expatriate pay
home-based pay 107–08
host-based pay 109
policies 107–08
expectancy theory of motivation 226, 259–60, 556
experienced worker’s standard (ESW) 554
experiential learning 551
expert systems 403
external relativities 739
extrinsic motivation 254

face validity of psychological tests 463
factor comparison 663
factor comparison 663
factor plan 677–78
factor weighting 678
factors affecting people at work
attribution theory 245–46
implications for HR specialists 248–49
individual differences 239–44
orientation to work 246
personalities 241–43
role theory 247
factors, job evaluation 677
faults analysis 200
feedback 226
felt-fair principle 268
financial flexibility 210
Financial Times, best workplace survey 394
fit, strategic 24, 54
five-fold grading 413
flexible benefits 730–31
flexible firm 25
flexible hours 386
flexibility
financial 210
functional 210
numerical 210
plan 384–87
flexible benefits 730–31
flexible firm, the 210
flexible working 862–63, 875–76
frequency rate 841
front line managers
basic role 93–94
devolving responsibility for pay decisions 746–48
gaining support of 82–83
and HR practitioners 72, 89, 95–97
HRM role of 81
implementation of HR policies role 97–98, 157
improving front-line managers as people managers 98
people management responsibilities of 94
and reward strategy 657
functional analysis 198
functional flexibility 210

gain sharing 726
General Electric 56
generic role 327
generic role profile 188
Genome human capital investment model (Nationwide) 41–42
GlaxoSmithKline 125
global firms 99
globalization 26
goal theory of motivation 261, 556
golden handcuffs 393
grade and pay structures
analysis of different types 699–700
broad-banded 693–94
broad-graded 691–93
career family 696
defined 628
design of 698, 701–05
function 688
guiding principles 690
incidence of different types 698
individual job grades 698
job family 695
narrow-graded 691
pay spine 696–97
spot rates 697–98
types of 691–98
grade structure defined 689
graphology 431–32
great place to work, creation of 394
grievance procedure 880–81
group behaviour
  formal groups 292
  group ideology 295
  group processes 293
  impact on group members 295
  informal groups 293
  interaction 294
  reference group 296
  task and maintenance functions 294
group dynamics 356
  group exercises 582
half-life index 379
halo effect 458
hard HRM 11–12
  hard strategic HRM 117
harmonization 789–90
Harvard framework of HRM 6–8
the Hawthorne studies 284
Hay Group 282
Hayes Committee 85–86
health and safety
  accident prevention 841
  audits 836–37
  benefits 831–32
  communicating on 842–43
  importance of 830–31
  management of 830
  measuring performance 841–42
  occupational health programmes 838–39
  organizing 843–44
  policies 829, 832–33
  programmes 829
  risk assessments 830, 834–35
  stress management 839–40
  training 843
Health and Safety Executive 831, 840, 865
‘hearts and minds’ approach 12, 761
hierarchy of needs (Maslow) 257–58
high-commitment management 119–20, 364–65
high-involvement management 120
high-performance culture 314
high-performance management 118–19
high performance work design 334
  high performance work systems 38, 138
Higher Education Funding Council 127
home-based international pay 108–09
home-working 385
horizontal fit 139, 140
horizontal integration of HR strategy 54, 116, 134, 140
horns effect 458
host-based international pay 109
HR see human resources, see also HR function, HR philosophies, HR strategies, HR policies, HR practices, HR practitioners, HR processes, HR programmes, and human resource management
HR expertise 74
HR philosophies 4
HR practices 4
HR processes 4
HR programmes 4
HRD see human resource development
HR function
  contribution to managing change 55
  employee relations role 771
  evaluation of 66–69
  and the facilitation of change 54–56
  justifying the HR budget 60
  marketing of 59–60
  organization of 57–59
  outsourcing HR work 61–64
  preparing the HR budget 60
  protecting the HR budget 60–61
  ratio of HR specialists to number of employees 57–58
  role of 53, 54
  shared HR services provision 58, 63–64
  variations in the practice of HR 56–57
HR information systems see computerised HR information systems
HR philosophies 4
HR policies
  AIDS 155
  age and employment 151
  areas of 148–56
  bullying 873
  defined 4, 147
  discipline 153
  e-mails 156
  employee development 152
  employee relations 153, 774–78
  equal opportunity 150, 866
  formalization 148, 156–57
formulation of 156
goals 10–11
grievances 153
health and safety 153, 832–33
implementation 157
involvement and participation 153
managing diversity 151
new technology 153
overall policy 148–49
and procedures 147
promotion 151–52, 861–62
reason for 247–48
redundancy 154
reward 152
sexual harassment 154, 871–72
smoking 155, 872
substance-abuse 155, 873
transfer 860–61
work-life balance 152
HR practices 4
HR practitioners
advisory role 72
ambiguities in the role 87–88
basic roles 71–76
business partner role 32, 73, 79
change agent role 74
competencies required 89–92
competency framework 90
conflict in the HR contribution 88–89
employee advocate role 80
as functional experts 80
as a human capital developer 80
innovation role 74
internal consultancy role 75
and front-line managers 95–97
models of HR practitioners’ roles 76–81
monitoring role 75–76
and personnel specialists 32
professional standards (CIPD) 89–90
professionalism in HRM 85–86
as reactive pragmatists 73
as service providers 72
as a strategic partner 80
strategist role 73
as ‘thinking performers’ 92
values 84
variations in 71
HR procedures
capability 884–85
defined 4, 879
disciplinary 881–83
grievance 880–81
introduction of 879
procedures and policies 147
promotion 861–62
redundancy 885–86
reward 745–46
HR processes 4
HR professionals/specialists see HR practitioners
HR programmes 4
HR scorecard 68
HR service centre 58, 63–64
HR strategies
attraction 395–97
communications 819
continuous improvement 126
criteria for 129
defined 4, 123
development process 132
employee relations 127, 778–79
human capital 37
human resource development 536–37
implementation of 143–45
information 890–91
knowledge management 127
learning and development 127, 607–09
levels of strategic decision-making 132–33
management development 595–96
overarching strategies 124–26
purpose 124
resourcing 360–61, 371–72, 390–91
retention 397–98
reward 127, 643–57
setting out strategies 143
specific strategies 126–28
and strategic HRM 115, 124
strategic options and choices 133–34
strategy development 134–40
talent management 126
types of 124–28
HR strategy development
aligning HR strategy 134
approaches to 134–40
best fit approach 138–39
best practice approach 135–38
culture fit 135
integration with business strategy 134–35
linking HR with competitive strategies 136
methodology for 140–41
setting out strategies 143
strategic review, conduct of 141–42
HR vision 74
HRM see human resource management
human asset worth 40
human capital
defined 8–9, 30, 33–34
and market worth 38
people as 14
significance of human capital theory 35–36
theory of pay levels 626
human capital advantage 35, 36
human capital index 39–40
human capital management
benefits of 36
defined 2, 29–30, 36
and human resource management 9, 30–32
purpose 36
questions 36–37
strategy 37
human capital measurement
approaches to 39–45
defined 38
elements of measurement 45–47
points concerning measurement 47
rationale for 36–38
human capital monitor 40
human capital reporting
defined 47–48
external reporting 48–49
internal reporting 49
human process advantage 35
human relations school 12
human resource advantage 118, 121
human resource development (HRD)
defined 521
strategic HRD 533–37
human resource function see HR function
human resource management (HRM)
activities 5
aims of 8–11
approach to recruitment 432
aspects of 3–4
and business values 15
challenges to 26–27
characteristics 7, 11–15
and commitment 13,
and competitive pressures 25–26
defined 2, 3, 6, 31
diversity of 11–12
and employee relations 761–62
‘hard’ HRM 11–12
Harvard framework 6–8
and HR specialists 72
and human capital management 9, 30–32
human resource cycle 4
and human resource development 535
impact on organizational performance 20–24
and integration 12
matching model of HRM 5–6
models of HRM 5–8
morality of 16–17,
and mutuality 13
and organizational effectiveness 8
and personnel management 18–20, 31, 88
philosophy of 12
policy goals 10–11
radical critique view of 17
rhetoric of 12
reservations about 15–18
and resourcing 359–60
soft HRM 12
strategic nature of 13
as a strategic process 113
and technology 25
unitary philosophy of 14
human resource planning
action planning 382–88
aims 368
analysing demand and supply forecasts 375
and business planning 363–64
contribution of HR 388
defined 363, 364
demand forecasting 373
downsizing plan 387
employer of choice plans 383
expert judgement 373–78
flexibility plan 384
hard and soft versions 364–65
incidence of 366
the labour market context 367–68
limitations of 365–66
make or buy decisions 368
managerial judgement 373–74
mathematical modelling 375
organizational context of 367
process of 368–70
depth of 368–70
ratio-trend analysis 374
rationale for 367
recruitment plan 383
resourcing plans 372, 382–83
resourcing strategy 361, 371–72
retention plan 372
scenario planning 372–73
supply forecasting 374–75
use of information system 900
human resource policies see HR policies
human resource practitioners/professionals/specialists see HR practitioners
human resource strategies see HR strategies
human resource system 4
human resources 3
Human Rights Act 857
humanistic viewpoint of people 284
identification of learning needs
analysis of business and HR plans 610–11
areas for analysis 610
basis of analysis 610
performance and development reviews 611–12
role analysis 612
surveys 611
IDS see Incomes Data Services
IES see Institute of Employment Studies
impression management 74
incidence rate 341
Incomes Data Services (IDS) 38
incremental change 74
individualism 759
induction
defined 471
documentation 474–75
employee handbook 474–75
formal induction courses 476–77
importance of 472–73
induction training on the job 477–78
initial briefing 475
introduction to the workplace 475–76
reception 473–74
industrial relations
bargaining power 756–57
collective bargaining 756
conjunctive bargaining 757
context of 762–63
cooperative bargaining 756
developments in 763–66
distributive bargaining 756
the Donovan analysis 763–64
HRM approach 761–62
integrative bargaining 757
interventionism 764–65
parties to 766–71
procedural agreements 783–84
role of Confederation of British Industry (CBI) 769–70
role of employers’ organizations 769
role of HR function 771
role of management 768–69
role of shop stewards 768
role of staff associations 768
role of trade unions 765, 766–67
role of Trade Union Congress (TUC) 768
as a system of rules 754–55
traditional system 763
types of regulations and rules 755–56
Workplace Employee Relations Survey (2004), conclusions of 766
see also employee relations
Industrial Relations Services (IRS) 38, 53, 58, 419, 422, 615, 619, 774, 787, 862, 863, 865–66, 875, 876
Industrial Society 567, 619
Institute of Employment Studies (IES) 39, 63–64
Institute of Personnel and Development (IPD) 208–09, 220, 233, 469, 774–78, 781
see also Chartered Institute of Personnel and Development
instruction 579–80
instrumental learning 560
instrumentality theory of motivation 254, 255
integration of business and resourcing strategies 360–61
horizontal integration of HR strategy 54, 116, 134
of HR strategy with business strategy 134–35
vertical integration of HR strategy 54, 116, 134
integrative bargaining 757
intellectual capital
and competitive advantage 26–27
defined 34
intelligence 241
intelligence tests 464
interaction 301
inter-group conflict interventions (OD) 342
internal relativities 739
international firms 99
international human resource management
approach to international HRM 102
convergence 100, 101–02
cultural diversity 102–04
defined 99
divergence 100, 101–02
ethnocentric policy 101
expatriates, management of 100, 104–09
global firms 99
international firm 99
international organizational models 100
issues in 99–100
third-country nationals 100
international trade union organizations 768
interventions (OD) 341, 342
interviews, see selection interviewing
intranet 178, 810, 822
intrinsic motivation 254, 329
introduction to the organization 471
involvement 808, 810
IRS see Industrial Relations Services

Japanese ‘excellence’ school 274, 275
job
  definition of 188, 327
  and roles 188
job analysis 188
job breakdown 199
job classification 664
job descriptions 188, 247
job design
  aims 331
  approaches to 332
  defined 330
  factors affecting 328
  high-performance work design 334
  job characteristics model 330
  motivating characteristics of jobs 329–30, 331–32
  principles 331–32
  and providing intrinsic motivation 329, 330
  task structure, characteristics of 329
job engagement see engagement
job enlargement 332
job enrichment 332–33
job evaluation
  aims 660
  analytical job evaluation 660–69
  analytical matching 662–63
  approaches 660, 669
  case for and against 671–72
  choice of scheme 671
  computer-assisted job evaluation 667–68
  criteria for choice 668
  defined 628, 660
  design principles 679
  designing a point-factor scheme 672–79
  factor comparison 663
  factor plan 677–78
  factor weighting 678
  factors 677
  incidence of 666–67
  internal benchmarking 665
  job classification 664
  job ranking 664
  market pricing 665–66
  non-analytical schemes 664
  paired comparison ranking 664–65
  point-factor rating 662
  process principles 673
  proprietary brands 663
  job family grade and pay structures 695
  job learning analysis 200–01
  job ranking 664
  job regulation 755
  job-related well-being 212–13
  job rotation 332
  job satisfaction 263–67
  job sharing 385
  joint consultation 811–12
  joint consultative committees 811
  justice 222
  just-in-time learning 561
  just-in-time training 577–78

key result area 191
knowledge
  concept of 175
  defined 175
  explicit knowledge 175, 177
  forms of 175
  tacit knowledge 176, 177, 179
knowledge creation 177
  and the learning organization 545
  and social capital 34
  and organizational learning 185
  personalization strategy 177
  and performance management 184
  problems with the concept 545–47
purpose of 176
resource-based approach 176
and resourcing 183
significance of 176
and social capital 179
systems 178
use of technology 179
knowledge management
approaches to 176–78
codification strategy 176–77, 179
communities of practice 178, 181
contribution of HR 180–81
defined 9, 173, 174, 178
and human capital 36
issues 178–80

knowledge workers
career management for 407
as human capital 35
and knowledge management 180
motivators for knowledge workers 183
recruitment of 368
and role development 328
Kolb’s learning cycle and styles theories 552–53
Kwik-fit 655

labour process theory 206–07
labour turnover see employee turnover
Lands’ End 116
law of effect 253
law of supply and demand 626
leadership 299–300, 353
leadership style 309
leading edge practices 138
lean organization 25, 208–09
learning
adaptive 541
affective learning 560
aim 560
blended learning 563, 566, 570
coaching 567–68
cognitive learning 560
cognitive theory 551
computer-managed learning 903–04
culture 609
defined 535, 549–50, 559
and development 560
double loop 541–42
experiential learning 551
feedback 562
formal learning 563, 565
goals 562
hidden learning 540
Honey and Mumford’s learning styles 553
identifying learning needs 567
implications of learning theory 556–57
informal learning 563, 564
instrumental learning 560
just-in-time learning 561
Kolb’s learning cycle 552–53
Kolb’s learning styles 553
the learning curve 554–55
the learning cycle 542
learning and development strategies 607–09
learning to learn 554
learning opportunities 566–67
the learning process 550
learning programmes 566
learning styles 552–53
learning theory 550–51
levels of 563
mentoring 569
methods 562–63
motivation to learn 555–56, 561
organizational 540–43
philosophy 560
reinforcement 551
responsibility for implementation of learning 614
self-directed/managed learning 561–62
self-reflective learning 560, 562
single-loop 541–42
social learning 551
spectrum of 563
and talent management 393
and training 560–61
types of learning 560
workplace learning 564–65
learning culture, development of 609
learning curve 473, 554–55
learning and development
activities 615
basis of learning and development programmes 612–14
formulating learning and development strategies 607–09
learning culture, development of 609
making the business case 607–08
process of 535
skill requirements 613
learning needs, identification of 610–12
learning organization
  characteristics of 185
  defined 543–44
  development of 545
  and knowledge management 545
  and organizational learning 539
  philosophy 543
  principles of 544
learning specification 612, 613
lecture 580
line managers see front line managers
location allowances 735
magazines 822
make or buy policies 368
management by agreement 393
management by control 393
management consultants, use of 64–66
management development
  activities 594–95
  aims 592
  analysis of needs 595
  approaches to 596
  assessment of skills and competences 595
  competency-based management
    development 600
    defined 591
    development centres 600–01
    elements of 594
    formal approaches to 598
    how managers learn 597
    informal approaches to 598–99
    integrated approach to 599–600
    nature of 594
    needs 592–93
    personal development plans 605
    priorities 593
    requirements 593
    responsibility for 603–04
    role of HRD specialist 605–06
    strategy 595–96
management style 308
management succession planning 393
managing change see change management
managing diversity
aim 868
concept of 868
initiatives 868–69
meeting diverse needs 10
managing expectations 499
manpower planning 365
see also human resource planning
manual skills analysis 199
manual workers pay 636–41
market worth 38
market pricing, job evaluation 665–66
market rate analysis
  advertisements 685
  club surveys 685
  defined 628
  information required 682
  job matching 682–83
  market intelligence 685
  market rate, concept of 681–82
  presentation of data 683
  published surveys 683–84
  purpose 681
  sources of information (market data) 683, 686
  special surveys 684–85
  using survey data 685
  market rate, concept of 681–82
  market stance 685
  marketing the HR function 59–60
matching model of HRM 5
mediation 788
mentoring 569
Mercer HR Consulting 37, 40
metrics 29, 30, 38
Michigan School 4
Mobile workers 211
mobility clauses 860
motivation
  complexity of process 252
  components of 252
  content (needs) theory 254, 255, 257–62
  and contingent pay 679
  defined 252
  and discretionary effort 251–52
  equity theory 261–62
  ERG theory (Alderfer) 257
  expectancy theory 259–60
  extrinsic motivation 254
  goal theory 261
  hierarchy of needs (Maslow) 257–58
  instrumentality theory 254, 255
  intrinsic motivation 254
  and job satisfaction 251, 263–67
  law of effect 253
  and money 267–68
motivation to learn 555–56, 561
motivation theory 251
needs (content) theory 255–62
needs-related model of 253
and organizational commitment 277
process of 252–53
process theory 254, 258–62
reinforcement 253
strategies 268–69
two-factor model (Herzberg) 262–63
types of 253–254
multi-skilling 761
mutual commitment strategy 19
mutuality 13, 761
Myers Briggs Types Indicator 243

narrow-graded grade and pay structures 691
National Vocational Qualifications (NVQs) 159, 161
Nationwide 41, 50–51
needs theory of motivation 255–62
negotiating
and bargaining 795, 802
convergent negotiations 796
closing 802
defined 796
divergent negotiations 796
nature of 795–96
opening 802
preparing for 798–802
process of 796
skills 803–04
networking 301
new style agreement 786
news letters 822
non-financial rewards 629
normal curve (test results) 467
norms (cultural) 303, 307–08
norms (test) 467
Norwich Union Insurance 43–44, 653–55
notice boards 823
numerical flexibility 210
NVQs/SNVQs 159, 161

objectives
criteria for 505–06
defined 505
SMART objectives 506
types of 505

occupational health programmes 829, 838–39
occupational hygiene 820
occupational medicine 829
occupational pension schemes
approved scheme 732
benefits statements 733
contribution of HR 734
contributions 732
defined 731
defined benefit/final salary scheme 733
defined contribution/money purchase scheme 733
developments in pensions provision 734
operation 731–32
reasons for 731
retiring age 732–33
sex discrimination 732
stakeholder pensions 733
OD see organization development
Operating and Financial Review (OFR) 47, 48
organization charts 289, 290
organization design
aim 320–21
conducting organization reviews 321
guidelines 323–24
organization analysis 321–22
organization diagnosis 322–23
process of organizing 319–20
of process-based organizations 183
responsibility for 325
organization development (OD)
activities 341–42
in communities of practice 182
defined 338–39
history of 339–40
programmes, features of 341
traditional approach to 340–41
use of 343
organization planning 324–25
organization structure
defined 288
organization charts 288–89
organization theory
behavioural science school 284–85
bureaucratic model 284
classical school 283–84
contingency school 286
framework for examining organizations (Kotter) 287
human relations school 284
influence of technology (Drucker) 287
new organization paradigm (Pascale) 287
socio-technical model 285
systems school 285
types of organizations (Handy) 287
types of organizations (Minzberg) 287
organizational behaviour 237
organizational capability 540
organizational capital 34–35
organizational climate
defined 305
measurement of 312–13
organizational commitment
concept of commitment and engagement 271
contribution of HR to developing commitment
defined 271–72, 273–74
enhancing 281–82
factors affecting 277–78
and flexibility 276
gaining 83, 181–82
‘hearts and minds’ approach 12, and HRM 5, 9, 12, 13–14
impact of 276–77
influences on 280–81
and motivation 277
mutual commitment strategy 19
and mutuality 13, 761, orientation 4
problems with concept 275–77
significance of 274–75
strategy 278–79
and trust 220
and the unitary frame of reference 275–76
organizational culture
analysis of 314–15
appropriate cultures 313–14
artefacts 308
assessment of 311–12
changing cultures 314–16
classification of 309–11
components of 307
defined 303–04
development of 181
diversity of 307
how it develops 306
leadership/management style 309
norms 303, 307–08
and organizational climate 305
problems with the concept 304–05
significance of 305–06
supporting and reinforcing cultures 315
values 303, 307
organizational development 337–38
see also organization development
organizational effectiveness 8, 340
organizational learning
defined 540
double–loop learning 541–42
the learning cycle 542
and the learning organization 539
outcomes 540
principles of 541, 543
single–loop (adaptive) learning 541–42
organizational performance, impact of HR
on 20–24
organizational performance model 40
organizational processes
conflict 301
group behaviour 292–96
interaction 301
leadership 299–300
networking 301
politics 300
power 300
teamwork 296
organizational transformation
defined 352
and organization development 352–53
role of HR 355
transactional change 352
transactional leaders 353
transformation programme 354–55
transformational change 352
transformational leaders 353
transition management 354
types of 353
organizations
decentralised 290
divisionalized 289–90
flexible 290
how they function 283
line and staff 289
matrix 290
process-based 182, 291
shamrock 290
organizing, process of 319–20
orientation to work 246
outdoor learning 574
outplacement 484, 485–87
output criteria 66
outsourcing
areas of 61
case for 61
deciding to 62
implications of 62–63
problems with 61–62
selecting service providers 62

overtime 387

paired comparison ranking 664–65
participation
defined 808
and employee voice 807
forms of 810
partnership agreements with trade unions
defined 784
features 785
problems 785
rationale for 784–85
part-time workers 384–85
pay for expatriates 107–09
pay levels – economic factors 626
pay matrix 742
pay reviews, general 740–41
pay reviews, individual
based on ratings 742
conduct of 744
defined 741
doing without ratings 742–43
guidelines to managers 743–44
pay spines 696–97
ranking 743
pay structures 690
see also grade and pay structures
payment-by-results 639–41
pension schemes see occupational pension schemes
people as assets 6, 14, 29, 30, 31, 35
people as human capital 14
people, characteristics of
ability 240
attitudes 244
attribution theory 245–46
differences in gender, race or disability 243–44
implications for HR specialists 248–49
individual differences 239–30
influence of background 243
influences on behaviour at work 244–45
intelligence 241
orientation to work 246

personality 241–43
roles 247–48
people management 2, 32, 116, 117
people resourcing
defined 359
and HRM 359–60
integrating business and resourcing strategies 360–61
performance
and job satisfaction 264–65
meaning of 497–98
see also organizational performance appraisal and performance management 500
see also performance management
performance drivers 36
performance management
aims 496
alignment of individual and organizational objectives 498–99
basis of 493
characteristics 496–97
use of computers 903
conducting a performance review meeting 510–12
criteria for assessing performance 510
as a cycle 503–04
defined 495
and discretionary behaviour 499
guiding principles 499–500
as an integrating force 493
introduction of 517–19
and knowledge management 184
managing expectations 499
managing performance throughout the year 508–09
meaning of performance 497–98
measuring performance 506–07
mixed model 498
objectives 505–06
and organizational effectiveness 357
and performance appraisal 500
performance agreements 504–08
performance measures 507
performance planning 507
performance–related pay 713–14
performance reviews 509–10
personal development planning 507–08
as a process 503
rating performance 512–15
and role analysis 190–91
and role profiles 190
use of role profiles 504–05
and talent management 392–93
understanding performance management 497
dealing with under-performers 515–17
and values 498
views on 500–02
Performance Management Group 523
performance measures 506–07
performance rating
achieving consistency 514–15
problems with 514
rating scales 513–14
rationale for 512–13
performance-related pay 713–14
performance reviews 509
person specification 410
personal case work 847–48
personal development planning 507–08, 571–72, 605
personal records 899
personality
classification of 464–65
defined 241, 464
traits 241–42
types 242–43
personality tests 464–66
personnel function see HR function
personnel management 2, 6
personnel management and HRM 18–20, 31, 88
see also human resource management
personnel practitioners/professionals see HR practitioners
Personnel Today 42–43
PESTLE analysis 143
piecework 639
Pilkington Optronics 126
planned experience 572
pluralist frame of reference 208
pluralist view of employee relations 758–59
point-factor rating, job evaluation 662
policies see HR policies
politics 300
power 300
power sharing 774
principal agent theory 207
procedural agreements 783–84
procedural rules 755–56
process 75, 141, 179
process consulting 75, 342
process criteria 66
process theory of motivation 254, 258–59
process worker, changing role of 209–10
professional conduct, CIPD code 84
profit-sharing 726
promotion 861–62
Prudential Financial 590
psychological contract
changing nature of 231–33
defined 225–26
developing a positive psychological contract 234–35
development of 229–30
and the employment relationship 225
and the HR function 55
and induction 472–73
model of 229, 230
significance of 227–28
state of 235–36
psychological tests 461–62
see also selection tests
psychometric questionnaires 463–64
psychometric tests 463
see also selection tests
quality of working life 149
Race Relations Act 1976 418
radical critique view of HRM 17
ratio-trend analysis 374
reactive pragmatists (HR practitioners as) 73
realistic job previews 106
recognition, trade unions 781, 782–83
recruitment agencies 423
recruitment consultants 423
recruitment plan 383
recruitment and selection
advertising 416–20
analysis of recruitment strengths and weaknesses 415
application forms 425, 426
assessment centres 430–31
attracting candidates 414–15
biodata 428–29
competency-based approach 413–14
confirming the offer 436
contracts of employment 437
defining requirements 437
electronic CVs 429
reward systems, management of 740
attrition 740
communicating to employees about rewards 748–49
compa-ratio analysis 739–40
control 744
dealing with anomalies 746
evaluating the system 739–40
fixing rates of pay 745
grading jobs 745
pay matrix 742
pay modelling 738
pay reviews 740–44
payroll budgets 737–38
procedures 745–46
promotion increases 746
responsibility for reward 746–48
review budgets 738
reward audit 739
use of computers 902–03
rhetoric and reality, gap between 10
risk assessments
assessing the risk 834–35
defined 833
hazards, looking for 833–34
monitoring and evaluation 835
significance of 830
taking action 835
role
ambiguity 247
conflict 248
defined 247, 327
distinction between roles and jobs 327
generic 327
incompatibility 248
theory 247
role analysis
approach to 189
defined 187
interviews 189–90
and performance management 190–91
purpose 188
questionnaire 190
observation 191
role definition see role profile
role development
and engagement 281–82
process of 334–35
and talent management 392
role perceptions 260
role-playing 581–82
role profile
content of 191–92
defined 188, 327–28
distinguished from job descriptions 247
example of 192
generic 188
and the identification of learning needs 612
in performance management 504–05
for recruitment purposes 410
role set 247
sales staff pay 636, 637–38
Saratoga 67
satisfaction 263
save-as-you-earn schemes 727
scenario planning 372–73
Scottish national Vocational Qualifications (SNVQs) 159, 161
Sears Roebuck 41
selection see recruitment and selection
defined 4
selection boards 430
selection interviewing
advantages and disadvantages 440–41
arrangements for 442–43
asking questions 450–54
behavioural-based interviews 447–48
behavioural based questions 448
behavioural event questions 452–53
biographical interview 445–46
briefing interviewers 443
capability questions 453–54
career questions 455
choice of interviewing approach 449–50
closed questions 452
coming to a conclusion 458–59
continuity, maintenance of 458
continuity questions 454–55
control, keeping 458
dos and don’ts of selection interviewing 459–60
ethical considerations 443
focused work questions 455
halo effect 458
horns effect 458
hypothetical questions 452
nature of 441–42
note-taking 458
open questions 450–51
planning the programme  443
planning and structuring interviews  444–45
play-back questions  455
preparation  443–44
probing questions  451–52
psychometric interviews  448–49
purpose  419–20
questions to be avoided  456
questions about motivation  454
questions about outside interests  456
situational-based interviews  447
skills  457–58
starting and finishing  450
structured interviews  445
ten useful questions  456–57
timing  444
unhelpful questions  456
unstructured interviews  445
use of assessment headings to plan interview  447
use of person specification to structure interview  446–47
selection tests
ability tests  466
aptitude tests  466
attainment tests  466
characteristics of a good test  462
choosing tests  468
concurrent validity  462
construct validity  463
content validity  463
criteria for  469
face validity  463
intelligence tests  464
interpreting test results  467
normal curve  467
norms  467
personality tests  464–66
predictive validity  462
psychological tests  461–62
psychometric tests  461
purpose  461–6
reliability  462
use of tests  468–69
validity, measurement of  463
validity, types of  462–63
self-directed learning  557, 561–62
self-efficacy theory  342
self-managed learning see self-directed learning
self-managing teams  333
self-paced learning  585
self-reflective learning  560, 562
sensitivity training  342
service level agreements  57, 67
service-related pay  720–21
seven-point plan  412–13
severity rate  842
Sex Discrimination Act 1975  418
sexual harassment  154, 870–72
share owning schemes  726
shared HR services (HR service centre)  58, 63–4
shift payments  735
shift-working  387
shop-floor payment-by-result schemes  639–40
shop stewards  767
SHRM see strategic human resource management
sickness  848–49
simulation  582
single-loop learning  541–42
single-table bargaining  786–87
single-union deals  781–82
skill-based pay  718–20
skills analysis
defined  198
faults analysis  200
job breakdown  199
job learning analysis  200
manual skills analysis  199
task analysis  199–200
skills inventories and audits  901
SMART objectives  506
smoking policy  872
social capital
defined  34
and knowledge management  34, 179
social learning theory  342, 551
social networks  180
socio-technical model of organization  285
soft HRM  12
soft strategic HRM  117
stability index  379
staff associations  768
stakeholders
and employee relations  781
and HR practitioners  71
and HR strategy  117
and human capital management  32
as judges of HRM effectiveness  69
and the pluralist perspective  208
Standard Chartered Bank  50, 498
stand-by allowances 735
strategic business units (SBUs) 322
strategic capability 113–14, 371
    strategic change 344–45
strategic coherence 54
strategic fit 24, 114, 118
strategic goals 114
strategic human resource development (strategic HRD)
    aims 534
    components 534
    creating the strategy 536
    defined 533
    delivering the strategy 536–37
    and HRM 535
    philosophy 537
    process of learning and development 535
    strategies for 536–37
strategic human resource management (strategic HRM)
    aims 116–17
    approaches to 117–20
    defined 115, 124, 131
    hard strategic HRM 117
    and HR strategies 115, 124
    implementing 121
    rationale for 131
    resource-based approach to 117–18
    soft strategic HRM 117
    and strategy 113–15
strategic integration 54, 116
strategic intent 113
strategic review, conduct of 141–42
strategies, HR see HR strategies
strategy
    defined 113
    formulation of 114–15
    meanings of 114
    process of 113–14
stress
    management of 840
    prevention of 840
    reasons for taking account of stress 839–40
strikes 790–91
sub-contracting 386
substance abuse 155, 873
substantive rules 755–56
succession planning 403–04
suggestion schemes 814

Sunday Times best companies to work for
    survey 394
supply forecasting 374–75
survey feedback (OD) 341
survival rate 377–78
SWOT analysis 143
systematic training 577
systems school of organization 285
systems theory of industrial relations 755
talent audit 392
talent flow 391
talent pool 391
talent management
    approaches to 389
    attraction and retention policies and programmes 391–92
    attraction strategies 395–97
    and career management 393, 399–07
    creating a great place to work 394–95
    defined 9, 390
    elements of 390–93
    employer branding 395–96
    employer of choice 396
    for knowledge workers 407
    and learning and development 393
    and performance management 392–93
    in practice 407–08
    resourcing strategy 390–91
    retention strategies 397–99
    and role development 392
    strategy 126
    talent audit 392
    talent flow 391
    talent pool 391
    targeted recruitment and selection 396–97
    and total reward 393
    war for talent 389
talent relationship management 392
task analysis 199–200
task structure 329
team-based pay 724–25
team briefing 824–25
team-building
    activities 355
    aim 355
    criteria for effectiveness 356
    in organization development 342
    team roles 298
teamwork

caracteristics of effective teams 296–97
definition of a team 296
dysfunctional teams 297
technical competencies
analysis of 198
defined 161
technology 25, 26
teleworking 210–11, 385
terms and conditions of employment 858–57
tests see selection tests
tinking performers 92
third-country nationals 100
third-party dispute resolution 787–88
time rates 636
T-groups 342
360-degree feedback
advantages and disadvantages 527–28
criteria for success 528–29
defined 521–22
development of 526–27
methodology 524–26
rationale for 523–24
use of 522–23
threshold competencies 160
total quality management 356
total remuneration 627, 731
total reward
benefits of 632
defined 627, 629–31
model of 633
significance of 632
and talent management 393
Towers Perrin 633
Trade Union Congress (TUC) 768
trade unions
and collective bargaining 767
collective voice of 766–77
decline of 766
factors affecting recognition or de-
recognition 782–83
managing with trade unions 791–92
managing without trade unions 792–94
purpose 766
recognition 781
roles of 767
single union recognition 781–82
structure 767
training
defined 535, 575
effective training 578
evaluating training 570–72
just-in-time training 577–78
justification for 576
role of 575–76
systematic training 577
techniques 579–82
transferring 576
types of 578
traits 241–42
transactional change 352
transactional rewards 629
transfers 860–61
transformational change 74, 352
see also organizational transformation
trust
building 781
climate of trust 182
developing a high trust organization 221–22
and the employment relationship 220
high-trust organizations 182
and justice 222
meaning of 221
renewing 222–23
when do employees trust
management? 221–22
turnover, employee see labour turnover
turnover index, labour 376–77
two-factor model of motivation
(Herzberg) 262–63
under-performers, dealing with 515–17
unemployment 212
Unilever 590
unions see trade unions
unitary frame of reference 207, 275–78
unitary philosophy 14
unitary view of employee relations 758
US Department of Labor 137
utility analysis 66
validity in selection tests 462–63
value added 39, 40
value proposition 396
values 303, 307
as expressed in HR policies 149–50
of HR specialists 84
vertical fit 139
vertical integration of HR strategy 54, 116, 134
virtual firm, the 25
voice see employee voice
voluntarism 759–60
voluntary release 480
war for talent 389
Watson Wyatt 39–40, 899–900
welfare
case for 845–47
categories of welfare services 847
counselling services 852
elderly and retired employees 851
employee assistance programmes (EAPs) 852–53
group services 848
individual services 848–50
personal case work 847–48
provision of 851–52
well-being 212–13
work
attitudes to work 212
career expectations 211
changing patterns of 210–11
job related well-being 212–13
organizational factors affecting work 208–10
orientation to work 246–47
theories about work 206–08
unemployment 212
what it is 205
Work Foundation 875, 876
work-life balance
benefits of policies on 876–77
defined 875
measures 876
options 875
policy 152
work processes 37
work study 374
Workplace Employee Relations Survey (2004) 212–13, 766, 793
workplace learning 564–65
workshops, for competency analysis 194–95
World Bank 34
world class manufacturing 208
world class organization 82