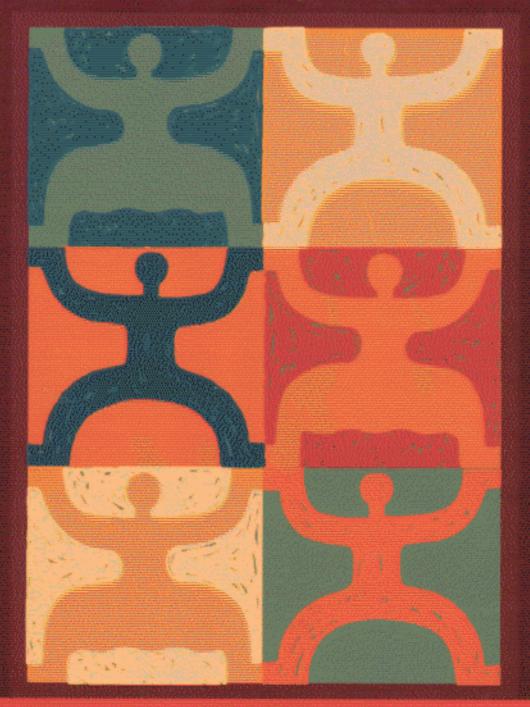
## Managing Human Resources

Productivity, Quality of Work Life, Profits



WAYNE F. CASCIO

6th edition

INTERNATIONAL EDITION

## CONTENTS

xxvi

Preface

List of Boxes and Special Features xxi

PART ONE ENVIRONMENT 1
CHAPTER 1 HUMAN RESOURCES IN A GLOBALLY COMPETITIVE BUSINESS ENVIRONMENT 2
Questions This Chapter Will Help Managers Answer 2
Human Resource Management in Action
The 21st-Century Corporation 3
The Enterprise Is the People 5
Managing People: A Critical Role for Every Manager 6
Why Does Effective HRM Matter? 8
Features of the Competitive Business Environment 10
Globalization 10
Technology 11
E-Commerce 12
Demographic Changes and Increasing Cultural Diversity 13
Responses of Firms to the New Competitive Realities 14
New Forms of Organization 15
Restructuring, Including Downsizing 17
Total Quality Management (TQM) 17
Reengineering 18
Flexibility 18
Competitive Strategies 19
Employee Behaviors and Human Resource Strategies Appropriate to Each
Competitive Business Strategy 20
Innovation Strategy 21
Quality-Enhancement Strategy 21
Cost-Reduction Strategy 22
Speed Strategy 22
Productivity: What Is It and Why Is It Important? 25
Quality of Work Life: What Is It? 27
Business Trends and HR Competencies 29
Human Resource Management in Action: Conclusion 30
The 21st-Century Corporation 30
Summary 32 Discussion Questions 32
Discussion Questions 32

•
Key Terms 32
Applying Your Knowledge
Case 1–1: Employee Participation and Customer Satisfaction 33
References 35
CHAPTER 2 THE FINANCIAL IMPACT OF HUMAN RESOURCE MANAGEMENT ACTIVITIES 40
Questions This Chapter Will Help Managers Answer 40
Human Resource Management in Action
Linking Worker Beliefs to Increased Productivity and
Profitability 41
Orientation 42 The Behavior Costing Approach 42
Some Definitions 43
Controllable versus Uncontrollable Costs 43
Costing Employee Absenteeism 45
Interpreting the Costs of Absenteeism 50
Costing Employee Turnover 50
Components of Turnover Costs 51
Separation Costs 51
Replacement Costs 52 Training Costs 52
Training Costs 52 The Total Cost of Turnover 53
Financial Effects of Employee Attitudes 54
Behavior Costing and Employee Attitudes 55
Financial Effects of Work-Life Programs 57
Work-Life Programs and Employee Behaviors 58
Costing the Effects of Training Activities 60
Indirect Measures of Training Outcomes 61
Direct Measures of Training Outcomes 63 The Financial Impact of High-Performance Work Practices 65
The Financial Impact of High-Performance Work Practices 65 High-Performance Work Practices and Organizational Performance 65
Organizational Culture, Employee Retention, and HR Costs 65
The Causal Effect of Management Practices on Performance 66
Human Resource Management in Action: Conclusion 67
Linking Worker Beliefs to Increased Productivity and
Profitability 67
Summary 68 Discussion Operations 70
Discussion Questions 70 Key Terms 70
Applying Your Knowledge
Case 2–1: Absenteeism at Ono, Inc. 70
References 71
CHARGED 2 THE LECAL CONFIDENT OF FAMI ON MENTS DECICIONS
Chapter 3 THE LEGAL CONTEXT OF EMPLOYMENT DECISIONS 76
Questions This Chapter Will Help Managers Answer 76 Human Resource Management in Action 77
Sealed without a Kiss—Responding to a Letter Charging Your Company

with Unlawful Discrimination 77

Societal Objectives 79
EEO and Unfair Discrimination: What Are They? 79
The Legal Context of Human Resource Decisions 81
The Thirteenth and Fourteenth Amendments 81
The Civil Rights Acts of 1866 and 1871 82
The Equal Pay Act of 1963 83
Title VII of the Civil Rights Act of 1964 83
Litigating Claims of Unfair Discrimination 85
The Civil Rights Act of 1991 86
The Age Discrimination in Employment Act of 1967 (ADEA) 88
The Immigration Reform and Control Act of 1986 (IRCA) 88
The Americans with Disabilities Act of 1990 (ADA) 89
The Family and Medical Leave Act of 1993 (FMLA) 91
Executive Orders 11246, 11375, and 11478 91
The Rehabilitation Act of 1973 92
The Vietnam Era Veterans Readjustment Act of 1974 92
The Uniformed Services Employment and Reemployment Rights
Act of 1994 92
Federal Enforcement Agencies: EEOC and OFCCP 93
EEOC Guidelines 93
The Office of Federal Contract Compliance Programs (OFCCP) 95
Employment Case Law: Some General Principles 97
Sex Discrimination 97
Pregnancy 98
Reproductive Hazards 98
Sexual Harassment 99
Age Discrimination 102
"Overqualified" Job Applicants 102
Seniority 103
Testing and Interviewing 104
Personal History 105
Preferential Selection 105
Human Resource Management in Action: Conclusion
Sealed without a Kiss—Responding to a Letter Charging Your Company
with Unlawful Discrimination 107
Summary 109
Discussion Questions 110
Key Terms 110
Applying Your Knowledge
Case 3-1: A Case of Harassment?
References 112
CHAPTER 4 DIVERSITY AT WORK 118
Questions This Chapter Will Help Managers Answer 118
Human Resource Management in Action
Making the Business Case for Diversity 119
Workforce Diversity: An Essential Component of HR Strategy 121
The Service Economy 122
The Globalization of Markets 123
New Business Strategies That Require More Teamwork 124

Mergers and Strategic International Alliances 125
The Changing Labor Market 125
Diversity at Work—A Problem for Many Organizations 126
Culture—The Foundation of Group Differences 127
African Americans in the Workforce 127
Hispanics in the Workforce 130
Asian Americans in the Workforce 133
Women in the Workforce 133
Conclusions Regarding Women in the Workforce 135
Age-Based Diversity 136
Managing Diversity 137
Racial and Ethnic Minorities 138
Female Workers 139
Generations X and Y 140
Older Workers 140
Workers with Disabilities 141
Gay and Lesbian Employees 142
Human Resource Management in Action: Conclusion
Making the Business Case for Diversity 143
Summary 146
Discussion Questions 147
Key Terms 147
Applying Your Knowledge:
Case 4-1: The Challenge of Diversity 147
References 149
PART TWO EMPLOYMENT 155
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE 156
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  156
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  156  Human Resource Management in Action
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  156  Human Resource Management in Action  The Analysis of Work—Foundation for Employment Practices  157
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  156  Human Resource Management in Action  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  157
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  156  Human Resource Management in Action  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  156  Human Resource Management in Action  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  163
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  163  From a Task-Based to a Process-Based Organization of Work  166
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  How Do We Study Job Requirements?  166
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  Why Study Job Requirements?  The Analysis of Work—Foundation for Employment Practices  157  Alternative Perspectives on Jobs  160  Dynamic Characteristics of Jobs  163  From a Task-Based to a Process-Based Organization of Work  166  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  166  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  163  From a Task-Based to a Process-Based Organization of Work  166  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170  The Relationship of Job Analysis to Workforce Planning  173
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  163  From a Task-Based to a Process-Based Organization of Work  166  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170  The Relationship of Job Analysis to Workforce Planning  173  Workforce Planning in the New Millennium  174
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170  The Relationship of Job Analysis to Workforce Planning  173  Workforce Planning in the New Millennium  174  Types of Plans: Strategic, Tactical, and Human Resources  174
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170  The Relationship of Job Analysis to Workforce Planning  173  Workforce Planning in the New Millennium  174  Types of Plans: Strategic, Tactical, and Human Resources  174  More on Workforce Planning  176
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  166  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170  The Relationship of Job Analysis to Workforce Planning  173  Workforce Planning in the New Millennium  174  Types of Plans: Strategic, Tactical, and Human Resources  174  More on Workforce Planning  176  The Relationship of Workforce Planning to Strategic and Tactical
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  The Analysis of Requirements?  The Analysis of Requirements?  The Analysis of Requirements?  The Analysis Requirements?  The Analysis of Requirements?  The Analysis of Requirements?  The Analysis of Requirements of Jobs  The Analysing Managerial Jobs  The Analysis of Jobs  The Relationship of Job Analysis to Workforce Planning  The Relationship of Job Analysis to Workforce Planning  The Relationship of Plans: Strategic, Tactical, and Human Resources  The Relationship of Workforce Planning  The Relationship of Workforce Planning  The Relationship of Workforce Planning  The Relationship of Workforce Planning to Strategic and Tactical Planning  The Relationship of Workforce Planning to Strategic and Tactical Planning  The Relationship of Workforce Planning to Strategic and Tactical Planning
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  The Analysis Perspectives on Jobs  Too  Why Study Job Requirements?  The Analysis Characteristics of Jobs  Trom a Task-Based to a Process-Based Organization of Work  Too  How Do We Study Job Requirements?  Too  The Analyzing Managerial Jobs  Too  Cocupational Information  Too  The Relationship of Job Analysis to Workforce Planning  Too  Workforce Planning in the New Millennium  Too  The Relationship of Workforce Planning  Too  The Relationship of Workfo
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170  The Relationship of Job Analysis to Workforce Planning  173  Workforce Planning in the New Millennium  174  Types of Plans: Strategic, Tactical, and Human Resources  174  More on Workforce Planning  176  The Relationship of Workforce Planning to Strategic and Tactical  Planning  176  HR Objectives—Foundation for Workforce Planning  179
CHAPTER 5 ANALYZING WORK AND PLANNING FOR PEOPLE  Questions This Chapter Will Help Managers Answer  The Analysis of Work—Foundation for Employment Practices  Alternative Perspectives on Jobs  159  Why Study Job Requirements?  160  Dynamic Characteristics of Jobs  From a Task-Based to a Process-Based Organization of Work  How Do We Study Job Requirements?  166  Analyzing Managerial Jobs  168  Job Analysis: Relating Method to Purpose  170  Occupational Information  170  The Relationship of Job Analysis to Workforce Planning  173  Workforce Planning in the New Millennium  174  Types of Plans: Strategic, Tactical, and Human Resources  174  More on Workforce Planning  176  The Relationship of Workforce Planning to Strategic and Tactical  Planning  176  HR Objectives—Foundation for Workforce Planning  179  Talent Inventories  180

Forecasting Internal Workforce Supply 183
Forecasting Workforce Demand 186
How Accurate Is Accurate? 188
Matching Forecast Results to Action Plans 188
Control and Evaluation of WP Systems 189
Human Resource Management in Action: Conclusion
The Analysis of Work—Foundation for Employment Practices 191
Summary 191
Discussion Questions 192
Key Terms 192
Applying Your Knowledge
Case 5–1: Workforce Planning at First Bank 193
References 193
Chapter 6 RECRUITING 198
Questions This Chapter Will Help Managers Answer 198
Human Resource Management in Action
The Art of Finding Talent 199
Recruitment as a Strategic Imperative 201
The Employee Recruitment/Selection Process 201
Developing Recruitment Policies: Labor Market Issues 204
Internal versus External Labor Markets 205
Recruitment Policies and Labor Market Characteristics 206
Recruitment—A Two-Way Process 208
Recruitment Planning 208
Internal Recruitment 209
Job Posting 209
Employee Referrals 210
Temporary Worker Pools 211
External Recruitment 212
University Relations 212
Executive Search Firms 213
Employment Agencies 214
Recruitment Advertising 214
Special Inducements—Relocation Aid, Help for the Trailing Spouse,
and Sign-On Bonuses 217
Summary Findings Regarding Recruitment Sources 218
Factors Affecting Recruitment Success 218
Diversity-Oriented Recruiting 219
Managing Recruitment Operations 220
Reengineered Recruitment in the Information Age 220
Evaluation and Control of Recruitment Operations 222
Realistic Job Previews 223
The Other Side of Recruitment—Job Search 224
Scenario 1—Unemployed 225
Human Resource Management in Action: Conclusion
The Art of Finding Talent 227 Summary 229
Discussion Questions 229

Key Terms 229
Applying Your Knowledge
Case 6–1: Recruiting at Sandmeyer Steel Company 230
References 230
CHAPTER 7 STAFFING 236
Questions This Chapter Will Help Managers Answer 236
Human Resource Management in Action
Organizational Culture—Key to Staffing "Fit" 237
Organizational Considerations in Staffing Decisions 238
Business Strategy 238
Organizational Culture 239
The Logic of Personnel Selection 240
Validity of Measurement 241
Screening and Selection Methods 242
Employment Application Forms 242
Recommendations and Reference Checks 244
The Use of Tests and Inventories in Selection 247
Drug Testing 247
Two Controversial Selection Techniques 249
Integrity Tests 250
Mental Ability Tests 250
Validity Generalization 251
Personality Measures 252
Projective Measures 253
Measures of Leadership Ability 254
Personal-History Data 255
Employment Interviews 255
Peer Assessment 257
Work-Sample Tests 258
Assessment Centers 262
Choosing the Right Predictor 266
Human Resource Management in Action: Conclusion
Organizational Culture—Key to Staffing "Fit" 267
Summary 268
Discussion Questions 269
Key Terms 270
Applying Your Knowledge
Case 7–1: An In-Basket and an LGD for Selecting Managers 270
Technical Appendix 274
The Estimation of Reliability 274
Validation Strategies 274
Estimating the Economic Benefits of Selection Programs 277
References 278
PART THREE DEVELOPMENT 287
CHAPTER 8 WORKPLACE TRAINING 288

Questions This Chapter Will Help Managers Answer

288

Human Resource Management in Action
E-Learning Helps Small Organizations Act Like Big Ones 289
Employee Training 290
What Is Training? 290
Training Trends 291
Structural Issues in the Delivery of Training 293
Characteristics of Effective Training Practice 295
The Training Paradox 295
How Does Training Relate to Competitive Strategies? 296
Assessing Training Needs and Designing Training Programs 296
Assessing Training Needs 297
Principles of Learning 300
Transfer of Training 304
Team Training 305
Selecting Training Methods 306
Evaluating Training Programs 307
New Employee Orientation: An Overview 310
Planning, Packaging, and Evaluating an Orientation Program 312
Orientation Follow-Up 313
Evaluation of the Orientation Program 314
Human Resource Management in Action: Conclusion
E-Learning Helps Small Organizations Act Like Big Ones 317
Summary 319
Discussion Questions 320
Key Terms 320
Applying Your Knowledge
Case 8–1 Evaluating Training at Hutchinson Inc. 320 References 321
relefelices 271
CHAPTER 9 PERFORMANCE MANAGEMENT 328
Questions This Chapter Will Help Managers Answer 328
Human Resource Management in Action
Performance Reviews: Perilous Curves Ahead 329
Managing for Maximum Performance 330
Purposes of Performance Appraisal Systems 333
Requirements of Effective Appraisal Systems 336
The Strategic Dimension of Performance Appraisal 340
Alternative Methods of Appraising Employee Performance 341
Behavior-Oriented Rating Methods 341
Results-Oriented Rating Methods 345
When Should Each Technique Be Used? 346
Who Should Evaluate Performance? 348
Multirater or 360-Degree Feedback 351
When and How Often Should Appraisal Be Done? 353
Performance Appraisal and Total Quality Management 353
How Performance Appraisals Can Incorporate Key Elements
of TQM 354
Appraisal Errors and Rater-Training Strategies 355
Secrets of Effective Performance Feedback Interviews 357
Human Resource Management in Action: Conclusion
Performance Reviews: Perilous Curves Ahead 360

Summary 361 Discussion Questions 362 Key Terms 362 Applying Your Knowledge Case 9–1: Problems in Appraisal at Peak Power 363 References 364
CHAPTER 10 MANAGING CAREERS 370
Questions This Chapter Will Help Managers Answer 370
Human Resource Management in Action
Self-Reliance: Key to Career Management for the 21st Century 371
Toward a Definition of "Career" 372
Proactive Career Management 373
Toward a Definition of "Career Success" 374
Adult Life-Cycle Stages 374  Career Management: Individuals Focusing on Themselves 375
Career Management: Individuals Focusing on Themselves 375 Selecting a Field of Employment and an Employer 376
Knowing Where You Are 376
Planning Your Exit 376
The Role of the Organization 377
Dual-Career Couples: Problems and Opportunities 379
Career Management: Organizations Focusing on Individuals 380
Organizational Entry 380
Mentoring 381
Early Career: The Impact of the First Job 382
Managing Men and Women in Midcareer 383
Managing the Older Worker 386
Career Management: Organizations Focusing on Their Own Maintenance
and Growth 390
Internal Staffing Decisions: Patterns of Career Change 391
Human Resource Management in Action: Conclusion Self-Reliance: Key to Career Management for the 21st Century 398
Summary 399
Discussion Questions 399
Key Terms 399
Applying Your Knowledge
Exercise 10–1: Self-Assessment and Career Planning 400
References 402
PART FOUR COMPENSATION 409
CHAPTER 11: PAY AND INCENTIVE SYSTEMS 410
Questions This Chapter Will Help Managers Answer 410
Human Resource Management in Action
The Trust Gap 411
Changing Philosophies Regarding Pay Systems 413
Cost-Containment Actions 413
Paying What the Company Can Afford 414
Programs That Encourage and Reward Performance 414
Components and Objectives of Organizational Reward Systems 416
Strategic Integration of Compensation Plans and Business Plans 418

Determinants of Pay Structure and Level 419
Labor Market Conditions 419
Legislation 420
Collective Bargaining 422
Managerial Attitudes and an Organization's Ability to Pay 422
An Overview of Pay System Mechanics 423
Linking Internal Pay Relationships to Market Data 424
Developing a Pay Structure 426
Thichiatives to Lay Bystonia Date and the year
Market-Based Pay 428
Competency-Based Pay 428
Policy Issues in Pay Planning and Administration 430
Pay Secrecy 430
The Effect of Inflation 431
Pay Compression 431
Pay Raises 432
Performance Incentives 433
Requirements of Effective Incentive Systems 434
Merit-Pay Systems 435
Barriers Can Be Overcome 435
Guidelines for Effective Merit-Pay Systems 436
Incentives for Executives 437
Incentives for Lower-Level Employees 438
Setting Workload Standards 439
Union Attitudes 440
Team Incentives 441
Organizationwide Incentives 442
Profit Sharing 442
Gain Sharing 443
Employee Stock Ownership Plans 444
Human Resource Management in Action: Conclusion
<del>-</del>
Summary 448
Discussion Questions 448
Key Terms 449
Applying Your Knowledge
Case 11-1: Compensation and Incentive Pay at Shaver, Inc. 449
References 453
CHAPTER 12 INDIRECT COMPENSATION: EMPLOYEE BENEFIT
CHAPTER 12 INDIRECT COMPENSATION: EMPLOYEE BENEFIT PLANS 460
Questions This Chapter Will Help Managers Answer 460
Human Resource Management in Action
The New World of Employee Benefits 461
Strategic Considerations in the Design of Benefits Programs 462
Long-Term Strategic Business Plans 463
Diversity in the Workforce Means Diversity in Benefits Preferences 464
Legal Requirements 464
Competitiveness of the Benefits Offered 464
Total Compensation Strategy 467

Components of the Benefits Package 467 Security and Health Benefits 468 Payments for Time Not Worked 484	
Employee Services 485	
Benefits Administration 487  Benefits and Equal Employment Opportunity 487	
Costing Benefits 488	
Cafeteria, or Flexible, Benefits 489	
Communicating the Benefits 490	
Human Resource Management in Action: Conclusion The New World of Employee Benefits 491	
Summary 492	
Discussion Questions 493	
Key Terms 493	
Applying Your Knowledge	
Case 12–1: Reducing Health Care Costs 493	
References 495	
PART FIVE LABOR-MANAGEMENT ACCOMMODATION 501	
CHAPTER 13 UNION REPRESENTATION AND COLLECTIVE BARGAINING 502	
Questions This Chapter Will Help Managers Answer 502	
Human Resource Management in Action	
Improving Productivity, QWL, and Profits through Labor-Manag	gement
Cooperation 503	
Why Do Employees Join Unions? 503	
Union Membership in the United States 505	
The Changing Nature of Industrial Relations in the United States	506
Fundamental Features of the U.S. Industrial Relations System 5	07
A Brief\History of U.S. Labor Relations 508	
The Unionization Process 510	
The Legal Basis 510	
The Organizing Drive 512	
The Bargaining Unit 512	
The Election Campaign 513	
The Representation Election and Certification 514	
The Decertification of a Union 514	E16
Collective Bargaining: Cornerstone of American Labor Relations	516
The Art of Negotiation 516	
Face-to-Face Negotiating Behavior 517	nt 518
Bargaining Impasses: Strikes, Lockouts, and Third-Party Involveme	111 210
Strikes 518	
Types of Strikes 518	
When the Strike Is Over 521	
Lockouts 521 Third Party Involvement 523	
Third-Party Involvement 522 Administration of the Collective-Bargaining Agreement 523	
Union-Security Clauses 524 Grievance Procedures in the Unionized Firm 524	
Guevance frocedures in the Omonized Firm 324	

Human Resource Management in Action
Substance Abuse on the Job Produces Tough Policy Choices
for Managers 579
The Extent and Cost of Safety and Health Problems 580
Workers' Compensation: Current Trends 581
The Occupational Safety and Health Act 581
Purpose and Coverage 581
Administration 582
Safety and Health Standards 582
Record-Keeping Requirements 582
OSHA Enforcement 584
OSHA's Impact 585
Assessing the Costs and Benefits of Occupational Safety and
Health Programs 587
Organizational Safety and Health Programs 588
Loss Control 588
The Role of the Safety Committee 589
Safety Rules 590
Employee Selection 591
Training for Employees and Supervisors 591
Feedback and Incentives 592
Health Hazards at Work 593
The Need for Safeguards 593
AIDS and Business 595
Employee Assistance Programs 597
Do Employee Assistance Programs Work? 597
How Employee Assistance Programs Work 598
More on the Role of the Supervisor 598
Alcoholism 599
Drug Abuse 600
Violence at Work 601
Corporate Health Promotion: The Concept of "Wellness" 603
Linking Unhealthy Lifestyles to Health-Care Costs 604
Evaluation: Do Wellness Programs Work? 605
Wellness Programs and the Americans with Disabilities Act (ADA) 607
Human Resource Management in Action: Conclusion
Substance Abuse on the Job Produces Tough Policy Choices
for Managers 607
Summary 608
Discussion Questions 609
Key Terms 609
Applying Your Knowledge
Case 15–1: Skyline Machine Shop 609
References 610
CHAPTER 16 INTERNATIONAL DIMENSIONS OF HUMAN RESOURCE MANAGEMENT 616
Questions This Chapter Will Help Managers Answer 616
Human Resource Management in Action
What's It Like to Be a Global Manager? 617
The Global Corporation: A Fact of Modern Organizational Life 618

Signs of Globalization 618	
The Backlash against Globalization 619	
The Costs of Overseas Executives 620	
The Role of Cultural Understanding in International Management	
Practice 622	
Human Resource Management Practices as a Cultural Variable 622	
Sense of Self and Space 623	
Dress and Appearance 623	
Food and Eating Habits 623	
Communication: Verbal and Nonverbal 623	
Time and Time Sense 624	
Relationships 624	
Values and Norms 624	
Beliefs and Attitudes 626	
Work Motivation and Practices 626	
Mental Processes and Learning 627	
Lessons Regarding Cross-Cultural Differences 628	
Human Resource Management Activities of Global Corporations 62	8.
Organizational Structure 630	
Human Resource Planning 631	
Recruitment 631	
International Staffing 633	
Orientation 635	
Cross-Cultural Training and Development 636	
Integration of Training and Business Strategy 639	
International Compensation 639	
Labor Relations in the International Arena 646	
Toward International Labor Standards 647	
The North American Free Trade Agreement (NAFTA) 648	
Repatriation 649	
Planning 649	
Career Management 650	
Compensation 650	
Human Resource Management in Action: Conclusion	
What's It Like to Be a Global Manager? 650	
Summary 652	
Discussion Questions 652	
Key Terms 652	
Applying Your Knowledge	
Case 16-1: Expatriate Orientation Role Play 653	
References 654	
Glossary 661	
Credits 677	
Name Index 679	
Subject Index 689	