**Chapter 1:**

**The Dynamic Environment of HRM**

**Learning Outcomes**

**After reading this chapter, students should be able to:**

1. Discuss how globalization affects HRM practices.
2. Describe how human resource managers use technology.
3. Explain regulation and legislation issues relevant to HRM.
4. Identify trends in the composition of the workforce and how HRM must adapt.
5. Explain how HRM supports diversity and inclusion in the workplace.
6. Explain the contingent workforce and other methods used to control labor costs.
7. Explain how HRM supports continuous improvement programs.
8. Define employee involvement and list its critical components.
9. Outline emerging challenges facing HRM.

**Chapter Overview**

Natural and manmade disasters can be unpredictable and have a ripple effect that is not only challenging for local employers, but also for multinational companies with interests in the affected areas. The role of the HR professional can vary widely depending on the magnitude of the disaster and the size of the company. Surveying your students about external factors in their experience that have been disruptive at work will turn up a variety of HR challenges.

Chapter content includes external challenges facing today's dynamic business world, highlighting globalization, legislation and regulation, HRM technology, workforce diversity, labor supply and management, contingent workforces, decentralized work sites, continuous improvement, work process engineering, employee involvement, HRM challenges, and ethics.

**Additional features of this chapter:**

**Exhibits**

1 – 1: Cultural Values

1 – 2: Relevant Laws Affecting HRM Practices

1 – 3: Coca Cola Corporate Diversity Mission Statement

1 – 4: Continuous Improvement Programs Cartoon

1 – 5: Components of Continuous Improvement

**Boxed Features**

These features are located within the text and address current issues in HRM within the context of the relevant learning outcomes. They are short and thought provoking with thought questions at the end providing a great opportunity to provide a break in class lecture to check student understanding. Questions may be posed to students individually, in small groups, as quick cooperative learning assignments or as large group discussions.

* **Ethical Issues in HRM – Invasion of Privacy** discusses the organization’s right to monitor employees versus a worker’s right to privacy through the use of some interesting real-life examples.
* **Diversity Topics – Valuing a Diverse Workforce** describes the variety of ways that organizations can meet the challenges of developing and motivating a diverse work force.
* **Diversity Topics – Glass Ceiling Still a Barrier for Women Globally** has a table listing the percentage of women in executive ranks in various countries throughout the world.
* **Ethical Issues in HRM - Guidelines for Acting Ethically** offers thoughtful suggestions for handling confusing ethical dilemmas.
* **Ethical Issues in HRM - Everyday Ethics** offers ethical lapses that may be more familiar to students than those seen in the headlines.

**Making Concepts Relevant in Your Classroom**

In addition to the activities provided in the lecture notes, these suggested activities help students apply chapter 1 concepts:

* Ask students about current changes in the work environment which they have heard or read about. These may include friends and relatives who have been through work process engineering, their own employment as contingent workers, etc. Ask the students what role they believe the HR function played in helping organizations to manage these changes and what factors determine whether these changes are managed effectively.
* Provide an overview of a local or regional organization that has global operations. lead a discussion about how the local business was impacted by globalization. Ask the students to discuss how HRM might have been involved in that change.
* Assign to or provide for students: brief articles from newspapers and/or business magazines that illustrate some current HR challenges. Have small groups of 3-6 students each read and report on one of the articles.
* You might also want to ask if any students have been to another country and what their impressions were of the culture. This is also an opportunity to integrate students’ experiences as international students (in your country or abroad). Did the students encounter any difficulties communicating? Did anything make them uncomfortable? How did they adjust in those circumstances? Relate their answers to how HR supports such situations.

**Chapter Outline and Lecture Suggestions**

**Video Suggestions:**

Videos are great for creating relevance to HR topics. The videos below provide insight on topics in this chapter. Consider adding links to your class presentations and using them as conversation starters in face-to-face classes or as discussion topics for online courses.

You may also find your own videos that cover current events by searching Google videos or YouTube.

**“Global Leaders on Workplace Diversity and Inclusion”**

Link: <http://www.wsj.com/video/global-leaders-on-workplace-diversity-and-inclusion/B732364D-837F-4DE2-8479-D0241844711D.html>

Source: Wall Street Journal

Length: 3:08 minutes

Summary: Chief Executives from large and recognizable companies are questioned about their views of diversity and inclusion.

Question for students: Do these philosophies filter down to the workplace you see?

**“It’s Not Your Father’s Globalization”**

Link: <https://www.cnbc.com/video/3000585238>

Source: CNBC

Length: 2:28 minutes

Summary: Futurist, Author and New York Times writer Thomas Friedman explains the future of globalization and how it stresses workers…and probably HR mangers too.

Questions for students: How does technology create stress for business and employees in a global economy?

**“Bamboo HR”**

Link: [HR Software for Small & Medium Businesses | BambooHR](https://www.bamboohr.com?wvideo=ff9mq3jjw0)

Source: BambooHR.com

Length: 3:00 minutes

Summary: If you don’t mind a three minute ad for an HRIS provider, this video from BambooHR does a good job of explaining the uses and benefits of using HRIS for businesses of any size.

Question for students: What services in this video have you seen in action? Which seem to be the most valuable from your perspective?

**Introduction**

Human resource management is a subset of the study of management that focuses of how to attract, hire, train, motivate, and retain employees.

HR must understand the implications of globalization, technology changes, workforce diversity, labor shortages, changing skill requirements, changing skill requirements, continuous improvement initiatives, the contingent work force, decentralized work sites, company mergers, offshore sourcing of goods and services, and employee involvement.

**Globalization**

**Learning Outcome 1:** Discuss how globalization affects HRM practices.

The globalization of business and increase in the number of multinational and transnational organizations requires HR managers to acquire a global skill set that involves managing a global workforce, understanding a wide variety of cultures and legal environments and economic systems. Communication and technology become extremely important HR competencies.

**Global Business**

Changing technology and global economies require many businesses to grow globally to stay competitive or survive. This includes new HR challenges.

* Multinational Businesses (MNCs)
* Transnational Corporations

**Cultural Environments**

Not all HRM theories and practices are universally applicable. Countries have different:

* Values
* Morals
* Customs
* Political systems
* Economic systems
* Legal systems

**Employees need to:**

* Prepare to adapt to cultures, systems, and techniques different from their own.
* Have appropriate knowledge, skills and cultural adaptability.
* Understand businesses within their own social context.

**HRM needs to address:**

* Language differences in a multi-lingual workplace.
* Cultural variables such as status differentiation, societal uncertainty, assertiveness, and individualism.
* Group and individual conflict caused by differences in background, language, and customs.
* The differences between an individualistic society, like the United States, and a collective society, such as Japan.

**Exhibit 1-1 Cultural Values** on page 3 list examples of countries that value individualism and those that value relationships.

**Teaching suggestion:** Include a current video on globalization such as “It’s not your father’s globalization,” There’s a link at the beginning of this chapter of the Instructor’s Manual.

**Technology**

**Learning Outcome 2:** Describe how human resource managers use technology.

Technology alters world economies and the way people work.

Technology has changed the way information is created, stored, used, and shared.

Thomas Friedman studied globalization and the evolution of civilization. He contends that technology has leveled the playing field, allowing individuals and small businesses to compete in the global economy.

**Working with Technology**

Technology presents opportunities and challenges for workers everywhere.

**Information Technology**

* Creating and maintaining technology infrastructure of the organization.
* Jobs for IT professionals are predicted to be among fastest growing occupations through 2022.

**Information Systems**

* Use technology to enhance organizational decision making.
* Create organizational efficiencies and competitive advantage.

**Knowledge Workers**

* Use technology to acquire and apply information.
* Technology skills are required in a wide variety of jobs, making it difficult to find a career area that doesn't require technology skills.
* Social media policies need to spell out rights and responsibilities when employees use social media, blogs or any other public online forum.

**Technology and HR**

Like most professions, technology has changed the way HR professionals work

**Human Resource Information Systems (HRIS) automate many HR tasks:**

* Employee access to payroll, benefits administration.
* Applicant tracking, orientation, training and development.
* Performance management.
* Many, many others that will be covered in other chapters.

**Software as a Service (SaaS)**

* Business model that provides software services online on a subscription basis
* Includes HRIS

**Staffing**

* HRIS software powers company career sites, job boards like CareerBuilder and Monster
* Tracks applicants and the hiring process
* Provides online screening and testing for applicants

**Training and Development**

* HRIS software performs orientation, training and employee development activities.
* Services can be delivered to employees on demand, globally and in a cost effective way.

**Ethics and Employee Rights**

Knowledge workers have lots of opportunities for distractions due to internet access.

* Social media
* E-Mail
* Shopping
* Gambling
* Porn

Electronic surveillance allows employee monitoring and presents ethical problems.

**Compensation**

* High demand tech skills can drive up salary and benefit offers.
* Websites like Glassdoor provide a way for workers to trade salary information.

**Communication**

* Technology makes communication easier, but not necessarily better
* Information sharing is easier and breaks down traditional organizational barriers

**Telecommuters**

* Technology facilitates decentralized work sites allowing workers to telecommute from nearby or on the other side of the world.
* Managing off-site workers can be a challenge for managers.

**Competitiveness**

* Technology allows businesses to source, produce and distribute globally, regardless of size.
* Allows global pool of talent

**Class Activity: Ethical Issues in HRM - Invasion of Privacy?**

After students read this feature that profiles three examples of employee monitoring that ended up in the courts, use small groups to address the ethical questions for a few minutes and present their thoughts to the entire class.

When does an employer’s need for information about employee performance cross over the line and interfere with a worker's right to privacy?

Is any type of monitoring acceptable as long as employees are notified ahead of time that they will be monitored?

**Teaching suggestion:** Include a current video on globalization such as “BambooHR,” There’s a link at the beginning of this chapter of the Instructor’s Manual

**Legal Compliance**

**Learning Outcome 3**: Explain regulation and legislation issues relevant to HRM.

The legal landscape affecting HR changes daily thanks to federal, state and local laws and court decisions.

**Legal Compliance is a major HR responsibility that includes:**

* Recordkeeping
* Reporting
* Safety monitoring
* Communicating employee rights
* Many others

**Exhibit 1-2 Relevant Laws Affecting HRM Practices** page 8lists a few of the more noteworthy federal laws of the last century. These and many others are addressed in depth in following chapters.

**Workforce Composition Trends**

**Learning Outcome 4**: Identify trends in the composition of the workforce and how HRM must adapt.

Workforce and labor market are usually used interchangeably to refer to the population of available workers.

**Workforce Age**

The number of workers over 65 is growing globally.

**Baby Boom generation is in the process of turning 65 and has a variety of reasons** **for not retiring including:**

* Staying active.
* Good health.
* Income and standard of living.

**More Demographic Shifts**

* Globally, the number of women entering the workforce is growing.
* Hispanic and Asians are fastest growing ethnic groups.

**Is There a Shortage of Skilled Labor?**

Some skills are in higher demand than others.

* Skilled trades such as electricians, carpenters, cabinetmakers, welders and health care workers are in short supply in the world's largest economies.
* Shortage is expected to worsen as few young people are preparing for skilled trades viewed as "blue-collar.

Organizations often have too many staff in some areas and shortages in others.

**Class Activity: Diversity Topics - Valuing a Diverse Workplace** page 11. Recruiting the best talent can be a challenge when the skills needed are scarce and it's hard to communicate your opportunities to the available talent pool. That's when being seen as not only an "Equal Opportunity Employer" but as an inclusive employer who embraces diversity can be an advantage. Survey students for ways to attract a diverse workforce, then compare their answers to the suggestions in this feature.

**Diversity and Inclusion**

**Learning Outcome 5:** Explain how HRM supports diversity and inclusion in the workplace.

**HR's Challenge:**

Create a culture that welcomes diverse groups of people by addressing different lifestyles, family needs, and work styles.

Attract and maintain a work force that is reflective of the diversity in the general population.

Increased sensitivity to group differences.

Accommodate different values, needs, interests, and expectations of employees.

**Workforce Diversity**

Varied personal characteristics of workforce

Many organizations go beyond EEO laws to also recognize and protect:

* Politics
* Spirituality
* Socioeconomic status
* Family
* Culture
* In addition to legally protected characteristics

Inclusion refers to a culture of acceptance.

**Diversity and Work-Life Balance**

Different groups have different needs and expectations out of life and work:

* Age groups
* Ethnic groups
* Lifestyle

Requiring workplace flexibility for:

* Family responsibilities
* Leisure time
* Quality of life
* Global differences in culture and time

Again, technology helps and complicates the issue.

**Teaching suggestion:** Include a current video on globalization such as “Global business leaders on diversity and inclusion” There’s a link at the beginning of this chapter of the Instructor’s Manual.

**Exhibit 1-3 Coca-Cola Company Diversity Mission Statement** is an example of how businesses value diversity so highly that they create a specific mission statement to emphasize those values. Does your college or any local organizations have a Diversity Mission Statement?

**Diversity Topics - Glass Ceiling Still a Barrier for Women Globally** provides some surprising statistics on the percent of women in senior management positions. The biggest surprise. China has significantly more women executives as the U.S.

**Labor Costs**

**Learning Outcome 6:** Explain the contingent workforce and other methods used to control labor costs.

Labor costs are frequently an organization's biggest expense.

Core employees make up the most expensive part of the workforce because of training and benefit costs to name a few.

**HR is required to control labor costs in a variety of ways:**

* Reduced hours
* Reduced pay
* Downsizing
* Outsourcing
* Offshoring
* Contingent labor
* Managing expense of:
	+ Employee benefits
	+ Workers compensation and disability claims

**Downsizing**

Also referred rightsizing

May be necessary due to

* Economic pressure
* Strategic changes
* Structural changes
* Increased efficiencies
* Outsourcing moves work to outside sources such as contractors.

**Contingent Workforce**

Saves money for the organization due to

* Lower costs
* Increased flexibility in scheduling

Examples include:

* Part-time employees
	+ Typically work less than 40 hours per week
* Temporary employees
	+ Also called "temps"
		- Employed for short term assignments
* Contract workers
	+ Contractors are not employees
	+ May be called freelancers, subcontractors or consultants

**Contingent Worker Issues:**

Core employees often receive more generous amenities than contingent workers.

Contingent workers may perceive their treatment to be less favorable and view themselves as less critical to the organization.

**What are they entitled to?**

* Compensation
* Training and development
* Scheduling
* Move to full-time?

**Pay and benefits conflicts**

* Pay rates do not include benefits, causing perception problems.
* Contingent workers moving to full-time often find lower net pay when benefits and deductions are considered.

**Classifying employees correctly**

Fair Labor Standards Act (FLSA) sets standards for many employment issues including pay and who is and is not an employee.

Department of Labor (DOL) and Internal Revenue Service (IRS) enforce employment relationship guidelines:

* Behavioral: how much control does employer have over worker activities?
* Financial: how much control does employer have over pay, expense? reimbursement, purchase of supplies and other materials.
* Relationship: does a contract define the relationship, what types of benefits are provided, what promises have been made?

**Offshoring**

Moving jobs to another country, usually for economic reasons.

* Lower labor costs
* Lower production costs
* Tax advantages
* Weaker union environment
* Favorable business climate with fewer regulations

A variety of types of jobs have been outsourced including Human Resources.

Reshoring involves returning jobs to home country.

**Continuous Improvement Programs**

**Learning Outcome 7:** Explain how HRM supports continuous improvement programs.

Continuous improvement involves constant efforts to provide better products and service to customers, with today’s definition of customer including everyone both external and internal to the organization.

**Quality management**

Concepts have existed for over 50 years and include the pioneering work of W. Edwards Deming.

Key components of continuous improvement are listed in Exhibit 1-7.

* Intense focus on the customer
* Concern for continuous improvement
* Improving quality of everything the organization does
* Accurate measurement of operations
* Empowering employees

**Kaizen** is the Japanese term for commitment to continuous improvement.

**Work Process Engineering**

Involves radical, quantum changes to entire work processes.

Differs from the incremental change usually obtained through continuous improvement programs.

**How HRM Can Support Improvement Programs**

* Helping employees cope with the emotional aspects of conflict and change
* Providing skills training.
* Adapting HR systems, such as compensation, benefits, and performance standards.

**Employee Involvement**

**Learning Outcome 8:** Define employee involvement and list its critical components.

**How Organizations Involve Employees**

* Organizational culture must support involvement.
* Top management must also support involvement.
* Employees at all levels will need to delegate some of their activities and responsibilities.
* Emphasis needs to be on participative management using group decision making
* Involvement of employees on work teams.

**Employee Involvement Implications for HRM**

HRM must provide training to help empower employees in their new roles.

Involvement programs can achieve greater productivity, as well as increased employee loyalty and commitment.

**Other HRM Challenges**

**Learning Outcome 9:** Outline emerging challenges facing HRM.

To be honest, it isn't necessary to look any further than your favorite news source to find emerging challenges. They change every day. Your students will have their own list, but let's start with this one.

**Economy**

Recessions mean layoffs.

* HR professionals are confronted with challenges that accompany a recession with layoffs, lower morale, worker resentment, and the need to retrain those that remain.
* The benefit of a recession is that higher unemployment makes it possible to attract and hire better qualified people when the need arises.

Economic recovery is often slow and uneven.

* Employers may be cautious about hiring.
* Contingent workers may be utilized.
* Labor shortages may exist for some skills in some areas.

Workers may need retraining to cope with either recession or recovery.

**Mergers**

Involve two or more organizations joining in ownership.

Acquisitions involve one organization taking ownership and control of another.

Used for financial gain:

* Entering new markets
* Acquiring technology or patents
* Achieve economies of scale

HR responsibilities

* Communication
* Facilitate culture
* Merge workforces

**Labor Unions**

Employees organize to secure better wages, hours and working conditions.

HR typically would rather not have to deal with employee unions.

Unions are on the decrease in the U. S. except for the public sector and service jobs.

Covered in depth in chapter 14

**Ethics**

Ethics is a set of rules or principles that defines right and wrong conduct.

“Right” and “wrong” are often difficult to distinguish.

**Code of ethics** state an organization’s primary values and the ethical rules it expects organizational members to follow.

Sarbanes - Oxley (SOX)

Established in 2002 after colossal ethical failures resulted in bankruptcy of Enron and Worldcom which may need explaining.

HRM is largely responsible for ethical training.

**Class Activity: Ethical Issues in HRM - Guidelines for Acting Ethically** provides practical guidelines for making ethical decisions that avoid embarrassing problems for people and businesses. As a class activity, use a recent newsworthy example of unethical behavior and apply each of these six guidelines. Can the action by justified by any of them?

**Sustainability**

Involves responsible and ethical ways of

* Living
* Doing business
* Employing individuals

Individuals prefer to work for employers they perceive to support sustainability.

HRM helps achieve sustainability by promoting:

* Energy conservation
* Recycling and other "green" initiatives
* Ethical business practices
* Community involvement and volunteer activities
* Sustainable production resources
* Safe workplaces
* Inclusive culture

**Class Activity: Ethical Issues in HRM - Everyday Ethics** Students often find it difficult to relate to examples of unethical behavior by people in large corporations or government. After reading these "everyday" examples of unethical but not illegal behavior by managers or owners, ask students to provide their own examples and explain how HR could provide ethical training to prevent the behaviors and the undesirable results of those behaviors.

**HRM Workshop**

The HRM Workshop includes several different types of activities requiring students to apply chapter concepts aligned with the learning outcomes. Suggested answers follow this introduction.

**Reviewing Important Concepts:** Chapter review questions aligned with chapter learning outcomes. Designed to require critical thinking skills.

**Evaluating Alternatives:** Thought provoking questions that require students to apply chapter concepts and consider the purpose, application and consequences of HRM decisions from different perspectives. Aligned with chapter learning outcomes.

**Research and Communication Skills:** HR managers need a variety of skills, but one of the most important may be the ability to keep current. In the words of a wise HR Director, "*Having your certification is good, but that knowledge is only current for so long. My question to new HR professionals is 'Can you do the research?'"*

These activities require students to research HR best practices and how they are implemented in local or global organizations, and exercise communication and presentation skills so necessary for success as an HR professional. Activities vary in the type of research and presentation required, but evaluation forms or rubrics may be used to communicate expectations and facilitate easier grading. The form below can be accessed on the website and contains basic elements for grading activities. You may wish to customize it by changing requirements or adding point values.

| **Activity Evaluation Form** |
| --- |
| **Objective/Criteria** | **Performance Indicators** |
|  | **Below Requirements** | **Needs Improvement** | **Meets Expectations** | **Exceptional** |
| **Length** | Insufficient length to discuss issues and apply relevant concepts.  | Length significantly under minimum.  | Adequate length to fully discuss issues and apply relevant concepts. On the low side of length requirement.  | Length requirement used carefully to provide excellent content.  |
| **Format** | Many errors  | Few errors in grammar punctuation, spelling or typos.  | Error free  | Professional quality product.  |
| **Research** | Relevant concepts are not applied or are applied on a surface level that does not indicate depth of understanding beyond knowing the definitions.  | Concepts from the text are mentioned, but explanation and application indicate a minimal level of understanding of relevant concepts and issues.  | Relevant concepts from the chapter material are applied in adequate depth to indicate understanding of the concepts and issues.  | Thoughtful and insightful discussion of the concepts learned in chapter material as they apply to the activity.  |
| **Presentation** | Paper or presentation contains many errors and lacks professionalism or was not presented. | Paper or presentation contains errors or shows a lack or preparation that distracts from the message.  | Paper or presentation is free of errors. | Paper or presentation is creatively and professionally presented. |
|   |  |

**Making a Difference Service Learning Projects:** Service learning activities help students practice HR skills, gain experience, develop a stronger resume, increase employability and demonstrate a commitment to sustainability. These activities can be assigned to groups or individuals. A sample assignment with requirements and grading materials is available as a download from the text website.

**Case Applications:**

Each chapter includes two cases in the textbook and two continuing cases on the textbook website.

**Case A** in the text is a hypothetical case. It is closely aligned with the chapter learning outcomes and requires students to use critical thinking skills to apply concepts.

**Case B** is pulled from the headlines and court cases. It is also closely aligned with learning outcomes and requires students to use critical thinking skills.

**Case C** is the popular Team Fun! continuing case involving brothers running a sports equipment manufacturing company. Freshly updated and aligned with chapter learning outcomes and some new thought provoking questions.

**Case D** is a new continuing case that follows a couple as they build an online active wear company and cope with the challenges and changes of managing human resources in a growing start-up.

**Reviewing Important Concepts**

1. **How have globalization and changes in workforce composition contributed to the need for understand diversity and inclusion in our organizations? (LO 1, 4, 5)**

HR managers to acquire a global skill set that involves managing a global workforce, understanding a wide variety of cultures and legal environments and economic systems. HRM needs to address language differences in a multi-lingual workplace, cultural variables such as status differentiation, societal uncertainty, assertiveness, and individualism. Group and individual conflict can be caused by differences in background, language, and customs.

Varied personal characteristics of workforce within the organization require many organizations to go beyond EEO laws to also recognize differences in politics, spirituality, socioeconomic status, family lifestyle, culture in addition to legally protected characteristics.

Inclusion refers to a culture of acceptance. Workforce changes require HRM to create a culture that welcomes diverse groups of people by addressing different lifestyles, family needs, and work styles. Attract and maintain a work force that is reflective of the diversity in the general population.

1. **Describe ways HRM uses HRIS to provide information and services more efficiently. (LO 2)**

Human Resource Information Systems (HRIS) automate many HR tasks such as payroll, benefits, employee handbooks, training, applicant tracking, online screening and testing for applicants. Services can be delivered to employees on demand, globally and in a cost-effective way.

1. **Explain the legal issues relevant to the workplace and HRM. (LO 3)**

Court decisions, federal, state and local laws all affect HR and change quickly. Legal compliance in the areas of recordkeeping, reporting, safety monitoring, communicating employee rights and Equal Employment laws is a major responsibility.

1. **Explain the roles HRM plays in dealing with current employment challenges such as mergers, offshoring, the economy, and ethical issues. (LO 9)**

Mergers, offshoring, and the economy all can lead to layoffs. Morale suffers as employees who survive layoffs feel fear and resentment. Retraining becomes necessary as retained workers assume increased responsibilities. Benefits may need to change to save money and key employees may be difficult to retain as they begin to look for employment with another firm they consider to be more stable. HR professionals can assist employees in all of these processes by providing a well-planned communication strategy. Employees want honest, current information that includes future goals of the organization, anticipated benefits and a preliminary timeline for future changes. Multiple methods of communication are necessary in these situations.

1. **What is the purpose of a continuous improvement program? What role does HRM play in assisting continuing improvements? (LO 7)**

Continuous improvement involves constant efforts to provide better products and service to customers, with today’s definition of customer including everyone both external and internal to the organization.

HRM assists by helping employees cope with the emotional aspects of conflict and change, providing skills training and adapting HR systems, such as compensation, benefits, and performance standards.

1. **What are the necessary ingredients for a successful employee involvement program? (LO 8)**

Organizational culture and top management must support involvement. Employees at all levels will need to delegate some of their activities and responsibilities. Involving employees on work teams. Emphasis on participative management using group decision making. HRM must provide training to help empower employees in their new roles.

1. **Explain what ethics are and how organizations and HRM can promote ethical behavior. (LO 9)**

Ethics is a set of rules or principles that defines right and wrong conduct, what is considered "right” and “wrong” in the organization. HRM can establish ethics training and a code of ethics that states an organization’s values and the ethical rules it expects organizational members to follow.

**Evaluating Alternatives**

1. **“Diversity and inclusion is nothing new. Thousands of immigrants came to the United States in the early 1900s and they integrated into the workplace just fine. Pay them a fair wage and treat them equally. That's all workers want.” Evaluate this philosophy of managing workplace diversity and explain your personal opinion on the best way to manage workforce diversity and inclusion. (LO 1, 4, 5, 9)**

Although workers welcome fair wages and equal treatment, much has changed in the last 100 years. Workers have more rights. Employers need workers with skills that didn't exist 100 years ago. Organizations are global in reach. Expanded views of diversity require employers to consider employee expectations of quality of life, requiring HRM to adapt workplaces in order to recruit and maintain the best talent. Economic fluctuations, labor unions, ethical issues and sustainable work practices all complicate the employer - employee relationship.

1. **Juliet is the owner of a design firm that survived the recession, but just barely. Her firm has grown 25% each of the last 2 years, but she is wary of hiring any** **full-time employees. “Firing half of my staff was the most stressful thing I've ever done” she explained. “I'll just keep hiring contract designers. There's a lot of good talent out there with fresh ideas and they don't have any expectation of a permanent job.” Evaluate Juliet's point of view and explain the advantages and disadvantages of using contingent workers instead of** **full-time core employees. Explain what you think she should do. (LO 6)**

Students may see the value of any one of several alternatives including agreeing with Juliet and relying heavily on contingent workers, reducing or eliminating the use of contingent workers, hiring full-time workers.

Advantages of using contingent workers including cost savings and increased flexibility should be mentioned as well as the disadvantages of contingent workers perceiving their treatment to be less favorable and view themselves as less critical to the organization.

**Research and Communication Skills**

These activities require students to research a topic and report the findings to the instructor or the class. They can be assigned to either individuals or groups and are designed to develop critical thinking, research and presentation skills necessary for HR.

Activities vary in the type of research and presentation required, but evaluation forms or rubrics may be used to communicate expectations and facilitate easier grading. The form below can be accessed on the website and contains basic elements for grading activities. You may wish to customize it by changing requirements or adding point values.

| **Activity Evaluation Form** |
| --- |
| **Objective/Criteria** | **Performance Indicators** |
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| **Presentation** | Paper or presentation contains many errors and lacks professionalism or was not presented. | Paper or presentation contains errors or shows a lack or preparation that distracts from the message.  | Paper or presentation is free of errors. | Paper or presentation is creatively and professionally presented. |
|   |  |

**Activity Summaries**

1. Students will research the HRM activities of a local organization with a visit or by using their website. All HRM functions are to be observed along with their use of technology. Findings are presented with presentation slides. (LO 2, 6)
2. Technology based businesses require knowledge workers and this activity requires students to investigate the effect of technology on the human resource aspects of a technology-based business (e.g.,Uber, Barnes and Noble, Verizon, Facebook, Apple, or Netflix). Findings are presented with presentation slides. (LO 2)
3. Workplace diversity videos of two different employers are researched and presented. (LO 5)

**Making a Difference: Service Learning Projects**

**Overview:** Service Learning Projects provide students with opportunities to develop and demonstrate HR skills and build a professional network that will assist in getting a job in HR. The activities that relate to this chapter on Selection are a variety of projects that involve volunteer activities at your college. A sample assignment with requirements and grading materials is available in a separate file on the text website.

**Case Application 1-A: Growers' Choice**

A boring internship suddenly gets interesting when the antiquated, but common HR policies and practices of an organic grocer collide with a manager's attempt to do the right thing. Students are asked to diagnose what went wrong, what needs to be done to fix it and how technology can be used.

**Questions:**

1. **In what ways could HRIS software make the HR department more efficient at Growers' Choice? How could HRIS have made a difference in the situation with the disabled bookkeeper and the time sheets? (LO 2)**

HRIS software could automate the process of recording time and requests for time off as well as all payroll functions. It could also handle applicant tracking, training and development, performance management, payroll, benefits administration, succession planning and talent management. Using an HRIS system could have prevented the problem in a couple of ways. Either the bookkeeper could have used the software remotely from home, or more likely, the software would have eliminated the need for her position entirely.

1. **Explain the legal and ethical issues involved in the case. (LO 3, 9)**

Growers' Choice is legally obligated to keep track of worker's hours and pay. The lack of security of their current paper system may create data security and employee privacy issues. Their treatment of the injured employee creates ethical and possibly legal issues. Failing to accommodate her injury shows a lack of inclusion for people with disabilities and may also violate the Americans with Disabilities Act which will be discussed in depth in chapter three. The manager's choice to lie to upper management about taking the documents out of the store is definitely unethical, but students may feel that his actions were justified, leading to a discussion of when unauthorized employee actions are unethical or ethical. Grower's Choice decision to press charges also presents interesting ethical issues.

1. **How can Growers' Choice improve their views of diversity and work/life balance? (LO 5)**

Recognizing the need to accommodate workers with disabilities and understanding how to adapt the workplace for different employee needs for work/life balance is necessary. Training for managers and employers on accommodating and appreciating diversity are essential.

1. **Research: Examine the Careers section of two to three supermarket chains in your area. What evidence do you find of HR use of technology?**

Examples may include online applications, job search, online job descriptions, applicant tracking that involves creating a profile for job searches, recruitment videos, realistic job preview videos.

**Case Application 1-B: A War for Talent**

The U.S. Navy may not be the first employer that comes to mind when you think of employers that are making efforts to help employees with work/life balance issues. However, the Navy has made improvements to maternity benefits, parental leave, and flexible work options with the goal of increasing retention and recruitment. Realizing that they are in competition for the most talented women and men in Generation Y, the Navy must be seen as competitive with the private sector on the issues that Generation Y values: flexibility and family over career and employer.

1. **Contrast the differences and similarities of the challenges of managing the human resource functions in the Navy from the public-sector employers. (LO 4, 5, 6, 9)**

The Navy faces the same challenges as the public sector, including: recruiting new employees for the organization, training those employees in specialized positions, assisting them with attaining their educational goals and managing their careers, encouraging the retention of those employee and having shortages of employees trained in certain areas and a surplus of employees trained in other areas. The Navy is also similar to the public sector in that routine HR functions such as: performance appraisal, compensation, discipline, dismissal and retirement are also present. The Navy differs from the private sector in that the number of employees recruited in the former case is on a much larger scale, training is very specialized, retention commitments are for specific time periods in the Navy and if Navy employees are leaving, they are encouraged to transfer to reserve status or a civilian position within the Navy. These varied options are not available for public sector employees.

1. **How do the economic, technological and cultural environments affect human resource management in the Navy and other branches of the armed forces? (LO 1, 2)**

Recent technological changes have allowed the Navy to have a strong social media presence on such sites as Facebook and Twitter. These sites are one source that the Navy has used to address such issues as diversity. In addition, the Navy has responded to the changes in the cultural environment with a strong diversity mission statement and affinity groups that allow minority and special interest group to share concerns. An understanding of the impact of the above economic, technological and cultural environments on HR issues in the Navy can be extended to other branches of the armed forces.

1. **What role does work/life balance play in recruiting and retention? (LO 9)**

Human Resources should help the organization identify the need to modify, create and support work/life practices. This is done, in part, by making sure HR management understands the diverse needs of the workforce. By being attuned to the needs of the company’s workforce, an organization can migrate to a culture that supports these needs while still accomplishing its goals. Flexibility around work schedules is key. Supporting a “new” way of working that is not tied to traditional daily work hours and recognizing an employee has a life away from work, will develop a work/life balancing culture and help to recruit and retain employees who need this flexibility in their work/life.

Since the culture of an organization flows from the top, highly visible leaders should set an example regarding work/life balance issues, these examples that are set will then be followed by employees. Without actual actions by others of these examples, it is highly unlikely that employees will believe work/life balance is valued, regardless of what is included in any policy statements, training programs, or the like. If employees believe work/life issues are valued, they are more likely to want to accept a job and then remain in an organization that has such values.

1. **Research: How well have the Navy's recruiting and diversity initiatives worked? Explore the Navy's recruiting and diversity websites as well as news and current events for evidence of successes and failures in their efforts to manage diversity and hire and retain people with critical skills. (LO 5)**

The Navy's website, navy.com has a career section with many efforts to connect with diverse groups including interviews with sailors of diverse backgrounds. Other sources of information about the success of their efforts include the Department of Defense, Defense Equal Opportunity Management Institute, Navy Live (the Navy's official blog), and Navy Times.

**Online Case Application 1 - C: Team Fun!**

**Questions:**

1. Explain how TEAM FUN! is currently affected by globalization and globalization issues they may face in the future. (LO 1)
2. How does government regulation affect Team Fun? (LO 3, 4, 9)
3. What other external factors and challenges in chapter 1 seem most relevant to Team Fun? (LO 1, 2, 3, 4, 5, 6, 9)
4. How would employee involvement and continuous improvement programs benefit Team Fun! and help Kenny and Norton get in touch with what's going on? (LO 7)