CHAPTER 10

Strategic Human Resource Management

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Job Analysis
Forecasting
Staffing
Training
Performance Appraisal
Compensation

Strategic Human Resource Management (SHRM)

Knowledge
Skills
Abilities
Attitudes
Job Description and Specification

- A job description explains the job.
- A job specification lists what is needed.

Forecasting

- Demand Forecasting
- Supply Forecasting

Recruitment

- Internal recruitment
- External recruitment
Selection

- Choosing the best qualified candidate
- Exchange of accurate information
- Organizations make these decisions
- Applicants also self-select

Validity and Reliability

- Selecting the right person
- Validity requires …
- Reliability means …

Selection Methods

- Application forms and resumes
- Tests
- Interviews
- Physical exams and drug tests
Application Forms and Resumes

- First source of information
- Qualifications and experience
- Pre-screening devices
- Preliminary comparisons

Selection Methods

- Application forms and resumes
  - Tests
  - Interviews
  - Physical exams and drug tests

Tests

- Written tests
- Performance tests
- Personality or personal tests
### Written Tests

- Knowledge
- Ability
- Skill
- Intelligence
- Interest

### Performance Tests

- Work samples
- Assessment centers

### Work Sample Performance Tests

- Routine and/or more specific
- Samples should predict performance
- Samples do show high validity scores
Assessment Center Performance Tests

- More complex job
- Presented with varying tasks to do
- Judge behavior
- Predict performance

Personality or Personal Tests

- “Fits” into the organization
- Hire people with core values

Selection Methods

- Application forms and resumes
- Tests
  - Interviews
- Physical exams and drug tests
Interviews

- Formal, in-depth conversations
- Information about the organization
- Interviews tend to have low validity

Interview Guidelines

- Precise, specific job-related questions
- Biases, snap judgments, stereotyping
- “Good” candidate perceptions
- Discrimination questions
- Careful not to make up your mind
- Written records

Realistic Job Preview

The interviewer explains to the applicant what the job “really” requires rather than giving just the positive points of a job or company and avoiding the negative.
### Selection Methods

- Application forms and resumes
- Tests
- Interviews
  - Physical exams and drug tests

### Physical Exams and Drug Tests

- Physically able
- Fringe benefits
- Controversial

### Training

- Performance
- Goals and objectives
Types of Training Programs

- Orientation
- Technical training
- On-the-job training
- Mgt. development

Performance Appraisal

- Evaluating employee performance
  - Motivation
  - Personnel movement
  - Training
  - Feedback for improvement
  - Personal development

Rating Performance

- Behavior-oriented approaches
- Results-oriented approaches
Behavior-Oriented Approaches

- Graphic rating scales
- Behaviorally-anchored rating scales

Graphic Rating Scales

- Performance dimensions such as:
  - Initiative
  - Tardiness
  - Accuracy of work

BARSs

- Behavioral-Anchored Rating Scales
- Different layers of performance
- Desirable and undesirable behaviors
Rating Performance

- Behavior-oriented approaches

- Results-oriented approaches

Problems with Performance Appraisal

- Halo Effect
- Rater Patterns
- Contrast Error
- Regency Error

Organizational Rewards

- Doing good work
- Frequently, money
- Non-monetary rewards
Direct Compensation

- Base pay
- Incentives

Indirect Compensation

- Benefits
- Benefit categories
  - Required and voluntary security
  - Retirement
  - Time-off
  - Insurance and financial
  - Social and recreational

Designing Equitable Reward Systems

- External Fairness
- Internal Fairness
- Employee Fairness
Legal Environment of SHRM

- Federal and state laws
- Constraints

Important Laws

- Equal employment opportunity (EEO)
- Laws prohibiting employment decisions based on biases against qualified individuals with disabilities and the elderly
- “Bona fide occupational qualification”

Affirmative Action

The legal requirement that federal contractors, some public employees and private organizations under court order for short term remedies must actively recruit, hire, and promote members of minority groups and other protected classes if such individuals are underrepresented in the organization.
Workforce Diversity

- Demographic changes
- Diversity
- Competitive advantage

Sexual Harassment

- Sexual harassment refers to actions that are sexually directed, are unwanted, and subject the worker to adverse employment conditions.
  - “Quid pro quo” harassment
  - “Hostile environment” harassment

Labor-Management Relations

- Labor unions represent employees
  - Pay
  - Hours of work
  - Benefits
  - Other important aspects
Challenges of SHRM

- Flexible and adaptable
- Selection, training and compensation

- An expatriate is an organizational member who is a citizen of the country in which the organization is headquartered but is assigned to a facility in another country.