

CHAPTER 10

Strategic Human
Resource Management

Pamela S. Lewis
Stephen H. Goodman
Patricia M. Fandt

Slides Prepared by
Zulema Seguel

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Strategic Human
Resource Management (SHRM)

Job Analysis

Forecasting

Staffing

Training

Performance Appraisal

Compensation

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Job Analysis

- Knowledge
- Skills
- Abilities
- Attitudes

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Job Description and Specification

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

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Forecasting

- Demand Forecasting
- Supply Forecasting

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Recruitment

- Internal recruitment
- External recruitment

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Selection

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

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Validity and Reliability

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

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Selection Methods

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

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Application Forms and Resumes

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

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Selection Methods

- Application forms and resumes
- **Tests**
- Interviews
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Tests

- **Written tests**
- **Performance tests**
- **Personality or personal tests**

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Written Tests

- Knowledge
- Ability
- Skill
- Intelligence
- Interest

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Performance Tests

- Work samples
- Assessment centers

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Work Sample Performance Tests

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

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Assessment Center Performance Tests

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

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Personality or Personal Tests

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

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Selection Methods

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Interviews

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

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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**

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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.

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Selection Methods

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Physical Exams and Drug Tests

- Physically able
- Fringe benefits
- Controversial

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Training

- Performance
- Goals and objectives

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Types of Training Programs

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

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Performance Appraisal

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

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Rating Performance

- Behavior-oriented approaches
- Results-oriented approaches

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Behavior-Oriented Approaches

- Graphic rating scales
- Behaviorally-anchored rating scales

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Graphic Rating Scales

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

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BARSS

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

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Rating Performance

- Behavior-oriented approaches
- Results-oriented approaches

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Problems with Performance Appraisal

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

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Organizational Rewards

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

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Direct Compensation

- Base pay
- Incentives

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Indirect Compensation

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

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Designing Equitable Reward Systems

- External Fairness
- Internal Fairness
- Employee Fairness

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Legal Environment of SHRM

- Federal and state laws
- Constraints

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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”

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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.

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Workforce Diversity

- Demographic changes
- Diversity
- Competitive advantage

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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

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Labor-Management Relations

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

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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.*

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