List of figures xii
List of tables xiii
List of case studies xiv
Acknowledgments xv
Preface xvi
Walk-through tour xix
About the website xxi

## Part one Introduction to HRM 1

### 1 Managing people 2

People management 3 Background and origins of people management 4 Professional managers 6 The human factor 9 Human relations 12 Management theory 14 Development of the personnel specialism 16 Management thinking 18 From personnel to human resource management 20 The new managerialism 24 Summary 24 Further reading 24 Review questions 25 Case study for discussion and analysis -George Cadbury 25

### 2 The concept of HRM 27

Defining human resource management 28
Maps and models of HRM 31
The Harvard map of human resource
management 35
HRM policies and their consequences 37
A harder approach – people as human
resources 40
Adopting HRM 41
Different interpretations of HRM 42
Professionalization 44
The spread of HRM 45
Summary 50

Further reading 50 Review questions 50 Case study for discussion and analysis – IBM 50

#### 3 HRM and business effectiveness 54

High performance organizations 55
Knowledge management 59
Knowledge management practice 62
Knowledge management, knowledge sharing – or sheer bunkum? 63
HRM and business effectiveness 65
HR professionals and the HR system 69
Measuring the impact of HRM 71
Major findings 71
A 10-C checklist for effective HRM 73
Summary 77
Further reading 77
Review questions 78
Case study for discussion and analysis – Accepture 78

# Part two HRM and the business environment 81

# 4 International HRM and the global economy 83

Globalization 84
International human resource management 89
Trading blocs 93
Productivity comparisons 94
Economic growth and employment 94
Multinationals and global competition 96
International outsourcing and subcontracting 100
Supranational organizations 102
Summary 104

Further reading 104
Review questions 105
Case study for discussion and analysis –

Change in Japan 105

Human capital 113 Legislative frameworks 116 Europe-wide initiatives 119 Summary 123 Further reading 123 Review questions 124 Case studies for discussion and analysis -Location choice/Graduate development/ South Africa 124 The employment market 127 ٨ Why do people work? 128 Social preferences 131 Individual preferences 134 Participating in the employment market 135 Employee supply and demand 141 Active labour market programmes 143 Part-time and temporary working 145 Summary 147 Further reading 147 Review questions 148 Case studies for discussion and analysis -Rob's career/Jefford Trading 148 Part three Organizational HRM 151 HRM in large organizations 152 7 Introduction 153 Organizations and the business environment 154 Dimensions of organization 155 Organizational structures 161 Organizational strategies 169 The HR role in large organizations 172 Flexibility 173 Summary 177 Further reading 177 Review questions 178 Case study for discussion and analysis -Rapid Supply Company 178 HRM in small and medium-sized 8 organizations 180 HRM in smaller organizations 181 Business start-ups and entrepreneurship 181 Collaborative entrepreneurship 185 Small firm growth 186 The growth process 188

HRM practices in the small business 189

HRM and the state 107

The state and intervention 108

5

Entrepreneurship and business growth research 194
Working in small businesses 195

Consultancies 196

Further reading 198

Summary 198

Review questions 198 Case studies for discussion and analysis –

ase studies for discussion and analysis – New Age Finance/The Craft Partnership/ Royal Ocean 199

#### 9 Organizational culture 201

Culture and international HRM 202

International comparisons 202

Ethnocentrism and cultural differences 204

Cultures and standards 206
Psychology and culture 209

Culture and business behaviour 209

Cultural training 210
National and organizational cultures 212

Corporate culture 217

The Deal and Kennedy model of corporate

culture 218
Corporate culture and people management 222

Summary 226

Further reading 226

Review questions 226

Case study for discussion and analysis – Volvo 227

# 10 Commitment and employer branding 228

Commitment and brand values 229

Employer branding 230 Commitment and culture 235

Commitment strategies 239

Justifying commitment 241

Committed to what? 243

Managing professionals 245 Summary 248

Further reading 248

Review questions 248

Case study for discussion and analysis –
Ark Nurseries 249

# Part four Strategic HRM 251

## 11 People strategies 252

Strategy and HRM 253

Strategic management 256

Strategic HRM: theory and practice 257

Forming HR strategies 261

Business goals 264

Strategy formation 266
Strategy, thinking and decisionmaking 271
Translating strategy into action 271
Summary 276
Further reading 276
Review questions 276
Case study for discussion and analysis –
Supreme Sportscars 277

## 12 Change strategies 279

Transformational HR strategies 279
Change and organizational structures 280
Action learning 285
Business process re-engineering 286
Strategic alliances 291
Mergers and the HR function 294
Behavioural transformation 297
Negative change 299
Summary 299
Further reading 299
Review questions 300
Case study for discussion and analysis –
West Five Care Trust 300

#### 13 Resourcing strategies 301

Resourcing 302
Environmental constraints on resourcing 303
Resourcing and the flexible organization 305
Resourcing strategies 306
Human resource planning 308
Resourcing information 319
Strategies for redundancy 322
Summary 326
Further reading 326
Review questions 327
Case study for discussion and analysis –
Pribake 327

# Part five The employee resourcing process 329

# 14 Recruitment and preliminary candidate information 330

Recruitment as a textbook subject 331
Matching people and jobs 332
Selectors and strategies 337
Marketing the job 338
Informal recruiting 340
Web-based recruitment 342
Formal recruiting 343
Targeting and diversity 344

Researching candidates 346 Applications 346 Qualifications 349 Biodata 349 References 351 Summary 352

Further reading 353

Review questions 353
Case studies for discussion and analysis –
Saveplenty Stores/Recruiting in Paris 353

#### 15 Employee selection 354

Resourcing decisions 355
Psychometric tests 359
Criticism of psychological testing 362
Interviewing 363
Evaluating methods 367
Interviews revisited 368
Work samples 374
Assessment centres 375
Summary 379
Further reading 379
Review questions 379
Case study for discussion and analysis –
Everylang 380

## Part six Managing diversity 383

#### 16 Equality of opportunity 384

The meaning of diversity 385
Society and opportunity 385
Examples of national anti-discrimination legislation 387

The emphasis of anti-discrimination legislation
Diversity and the organization 393

Strategies for diversity 396 Gender and sexual discrimination 400

Summary 410

Further reading 411 Review questions 411

Case studies for discussion and analysis –

Frank and Margaret/White male culture and disadvantage 411

## 17 Dealing with discrimination 413

Ethnic diversity 414
The financial impact of race discrimination 417

Race and performance 418 Institutional racism 419

The Parekh report 421

Race and ethnicity legislation 423

Disability 425
Ageism 428
Summary 432
Further reading 432
Review questions 432
Case study for discussion and analysis –
The Black Workers' Support Group 433

# Part seven Performance and compensation 435

## 18 Performance management 436

Performance assessment 437
The environmental context 438
The organization and effective performance 441
Performance strategies 447
Performance management systems 450
The assessment process 453
Limitations of performance management 461
Counselling interviews 461
Objectivity and subjectivity in assessment 463
Summary 464
Further reading 464
Review questions 464
Case studies for discussion and analysis –
Consumer relations department/

## 19 Reward management 466

International Holidays 465

Pay and compensation 467
HR and payroll administration 468
Technology and the pay unit 469
Pay evaluation 471
Motivation, pay and benefits 474
Pay and performance 478
Flavour of the (last) month? 482
Criticisms of PRP 483
Executive pay 485
Summary 487
Further reading 487
Review questions 487
Case study for discussion and analysis—Fairness 488

# Part eight Learning and development 489

## 20 Human resource development 490

HRD strategies 491 HRD at the national level 494 The meritocratic ideal 496
Education and training 497
Vocational education and training 499
Development programmes 503
Management development 504
Developing women 507
Coaching and mentoring 508
Summary 510
Further reading 510
Review questions 510
Case study for discussion and analysis –
Managers more likely to get training than workers 510

## 21 Learning in organizations 512

HRD and the organization 513 From training to development 515 The learning organization 516 Empowerment and HRD 518 Self-development 518 HRD as an activity 520 Induction and orientation 526 Learning methods 527 E-learning 529 Leadership development 531 Blended learning 533 Evaluating and costing training 534 Summary 536 Further reading 536 Review questions 537 Case study for discussion and analysis -Lisa 537

# Part nine Employee relations 539

# 22 Unions and collective bargaining 540

Introduction 541
Collectivization and confrontation 541
Employee relations in North America 542
Employee relations in the UK 546
The European Union 549
German employee relations 551
Employee relations in Australia and New Zealand 553
Japanese and East Asian employee relations

Japanese and East Asian employee relations 556 Organizations and employee relations 557 Employee relations strategies 559 Summary 561

Further reading 561 Review questions 561

Case studies for discussion and analysis – Middleton Council/Euro Vehicles 562

# 23 Conflict, bargaining, involvement and wellbeing 563

Employee relations as an activity 564
Conflict 567
Tribunals and arbitration systems 568
The negotiating process 570
Models of bargaining 572
Employee involvement 574
Work-life balance 580
Health and safety 580
Stress 584
Summary 587
Further reading 587

Review questions 587

Case studies for discussion and analysis – Nurses experience abuse/Stress measurement questionnaires 588

#### Conclusion 591

The status and significance of HRM 592
HRM and globalization 593
HRM and 'best practice' 594
Driving forces of HRM 595
The impact of HRM 601
What next? 605
Summary 606
Further reading 606
Review questions 606
Case study for discussion and analysis –
Creating a human resource function 607

Glossary – A–Z of HRM 608 References 618 Index 637