Dedication

To my mother
— G.D.

I would like to dedicate this book to those students who consistently demonstrate the ability to integrate, analyse and transfer knowledge, both within the classroom and outside of it.
Your excellence keeps me inspired.
— N.N.C.

To Peggy Martin
— N.D.C.

Credits and acknowledgments of material borrowed from other sources and reproduced, with permission, in this textbook appear on the appropriate page within the text and on pp. 347–366.


If you purchased this book outside the United States or Canada, you should be aware that it has been imported without the approval of the publisher or author.

Copyright © 2015, 2011, 2007, 2004 Pearson Canada Inc. All rights reserved. Manufactured in the United States of America. This publication is protected by copyright and permission should be obtained from the publisher prior to any prohibited reproduction, storage in a retrieval system, or transmission in any form or by any means, electronic, mechanical, photocopying, recording, or likewise. To obtain permission(s) to use material from this work, please submit a written request to Pearson Canada Inc., Permissions Department, 26 Prince Andrew Place, Don Mills, Ontario, M3C 2T8, or fax your request to 416-447-3126, or submit a request to Permissions Requests at www.pearsoncanada.ca.

Library and Archives Canada Cataloguing in Publication

Dessler, Gary, 1942-., author


Includes bibliographical references and index.


HF5549.M3132 2014 658.3 C2013-908455-X

Preface ix

Part 1 Human Resources Management in Perspective 1
Chapter 1 The Strategic Role of Human Resources Management 1
Chapter 2 The Changing Legal Emphasis: Compliance and Impact on Canadian Workplaces 23

Part 2 Meeting Human Resources Requirements 48
Chapter 3 Designing and Analyzing Jobs 48
Chapter 4 Human Resources Planning and Recruitment 75
Chapter 5 Selection 114

Part 3 Developing Effective Human Resources 144
Chapter 6 Orientation and Training 144
Chapter 7 Performance Management 171

Part 4 Total Rewards 198
Chapter 8 Strategic Pay Plans 198
Chapter 9 Employee Benefits and Services 231

Part 5 Building Effective Employee–Employer Relationships 257
Chapter 10 Occupational Health and Safety 257
Chapter 12 Labour Relations 303

Part 6 Global Issues in Human Resources Management 327
Chapter 13 Managing Human Resources in a Global Business 327

Notes 347
Glossary 000
Name and Organization Index 000
Subject Index 000
Credits 000
Preface ix

PART ONE Human Resources Management in Perspective 1

Chapter 1 The Strategic Role of Human Resources Management 1
The Strategic Role of Human Resources Management 2
A Brief History of HRM 3
Strategic HR The HR Role Continues to Evolve 8
Growing Professionalism in HRM 9
Environmental Influences on HRM 12

Chapter 2 The Changing Legal Emphasis: Compliance and Impact on Canadian Workplaces 23
The Legal Framework for Employment Law in Canada 24
Legislation Protecting the General Population 27
Global HRM UK Court Awards $1.7 Million to Bullied Employee 34
Legislation Specific to the Workplace 39

PART TWO Meeting Human Resources Requirements 48

Chapter 3 Designing and Analyzing Jobs 48
Fundamentals of Job Analysis 49
Step 1: Review Relevant Organizational Information 51
Step 2: Select Jobs to Be Analyzed 54
Step 3: Collecting Job Analysis Information 59
Step 4: Verifying Information 64
Step 5: Writing Job Descriptions and Job Specifications 65
Entrepreneurs and HR A Practical Approach to Job Analysis and Job Descriptions 67
Step 6: Communication and Preparations for Revisions 71

Chapter 4 Human Resources Planning and Recruitment 75
The Strategic Importance of Human Resources Planning 76
Forecasting the Availability of Candidates (Supply) 79
Entrepreneurs and HR Succession Planning and Family Businesses 82
Strategic HR Pumping Up People Supply 83
Forecasting Future Human Resources Needs (Demand) 84
Planning and Implementing HR Programs to Balance Supply and Demand 88
Recruitment 93
The Recruitment Process 94
Developing and Using Application Forms 95
Recruiting from within the Organization 96
Recruiting from Outside the Organization 98
Recruiting a More Diverse Workforce 107

Strategic HR Attracting the Younger Generation 108

Workforce Diversity The Disconnect in Recruiting People with Disabilities 109

Chapter 5 Selection 114

The Strategic Importance of Employee Selection 115

Workforce Diversity Principles for Assessment Accommodations 119

Step 1: Preliminary Applicant Screening 119
Step 2: Selection Testing 120
Step 3: The Selection Interview 128
Step 4: Background Investigation/Reference Checking 134
Step 5: Supervisory Interview and Realistic Job Preview 136
Step 6: Hiring Decision and Candidate Notification 137

Appendix 5.1 A Guide to Screening and Selection in Employment 141

PART THREE Developing Effective Human Resources 144

Chapter 6 Orientation and Training 144

Become a Learning Organization 145
Orienting Employees 146

Strategic HR Onboarding: The First Step in Motivation and Retention 147
The Training Process 152
The Five-Step Training Process 154
Career Planning and Development 161

Workforce Diversity Career Development for Older Workers 162
Managing Internal Employee Movement 166

Chapter 7 Performance Management 171

The Strategic Importance of Performance Management 172
The Performance Management Process 172
Step 1: Defining Performance Expectations 173

Global HRM Performance Appraisal Criteria in China 174
Step 2: Providing Ongoing Coaching and Feedback 175
Step 3: Performance Appraisal and Evaluation Discussion 175
Step 4: Determine Performance Rewards/Consequences 180
Step 5: Career Development Discussion 181
Performance Appraisal Problems and Solutions 181

Workforce Diversity Watch for Cultural Biases in Assessing Employees 184

Strategic HR Jaguar Land Rover Formal Appraisal Discussion Training 191
Legal and Ethical Issues in Performance Management 193
The Future of Performance Management 194
PART FOUR  Total Rewards  198

Chapter 8  Strategic Pay Plans  198
    The Strategic Importance of Total Employment Rewards  199
    Strategic HR  Rewards Program Effectiveness at the World's Most Admired Companies  200
    Basic Considerations in Determining Pay Rates  201
    Pay Equity  202
    Establishing Pay Rates  203
    Pay for Knowledge  212
    Developing Effective Incentive Plans  213
    Money and Motivation  215
    Types of Incentive Plans  216
    Strategic HR  Rewards That Work  217
    Organization-Wide Incentive Plans  225

Chapter 9  Employee Benefits and Services  231
    The Strategic Role of Employee Benefits  232
    Government-Mandated Benefits  233
    Voluntary Employer-Sponsored Benefits  238
    Global HRM  Defined Benefit Pension Problems and Solutions around the World  246
    Employee Services  248
    Flexible Benefits Programs  252
    Benefits Administration  253

PART FIVE  Building Effective Employee–Employer Relationships  257

Chapter 10  Occupational Health and Safety  257
    Strategic Importance of Occupational Health and Safety  258
    Basic Facts about Occupational Health and Safety Legislation  258
    What Causes Accidents?  262
    Workforce Diversity  Guiding Young Workers in Health and Safety  267
    How to Prevent Accidents  267
    Strategic HR  Top Management Commitment to Safety at Steelcase Canada Pays Off  269
    Entrepreneurs and HR  Small Business Safety Calculator  270
    Occupational Health and Safety Challenges in Canada  271
    Employee Wellness Programs  281
PART SIX Global Issues in Human Resources Management 327

Chapter 13 Managing Human Resources in a Global Business 327
The Globalization of Business and Strategic HR 328
How Intercountry Differences Affect HRM 328

Workforce Diversity Mummy Crew in Monster Trucks 329
Global Relocation 331
Considerations in Global HRM 334
Repatriation 338
Managing Global Workers within Canada 339

Global HRM Successful Integration of Immigrants in Canada 343

Notes 347
Glossary 000
Name and Organization Index 000
Subject Index 000
Credits 000
Management of Human Resources: The Essentials, Fourth Canadian Edition, brings both human resources and non–human resources students into the current and comprehensive discussion on the ways in which human resources are among the most important assets in organizations today. Human resources refers to the employees in a company, more specifically, the knowledge, skills, assets, and competencies they bring to work to help the organization achieve its objectives. These resources continue to provide a source of competitive advantage for organizations in a hyper-competitive, global environment.

The strategic importance of human resources management (HRM) activities is emphasized throughout the book, using recent examples from the Canadian employment landscape. Knowledge of HRM is important for supervisors and managers in every field and for employees at every level—not just those working in HR departments or aspiring to do so in the future.

The Canadian fourth edition provides extensive coverage of all HRM topics, such as job analysis, HR planning, recruitment, selection, orientation and training, career development, compensation and benefits, performance appraisal, health and safety, and labour relations. Practical applications are highlighted with Tips for the Front Line and Hints to Ensure Legal Compliance icons in the margins. Research Insights are also highlighted, and Ethical Dilemmas are presented for discussion.

KEY FEATURES OF THE CANADIAN FOURTH EDITION

Comprehensive Introductory Chapter. The first chapter provides a comprehensive overview of the strategic importance of HR, highlighting the evolution of HR over the years, the advances in measuring HRM’s contribution to the bottom line, and HRM’s critical role in strategy implementation.

Legal Emphasis. Chapter 2 provides a clear understanding of the often overlapping areas of legislation that affect the employment relationship. This includes a discussion of key legal cases, potential outcomes and remedies to violations, as well as a discussion about employer rights related to employment.

Significant Discussion of Managing Decline. Chapter 11 focuses on the impact and management of turnover (quits, layoffs, termination, etc.). This includes a focus on legal, psychological, and communication issues.

More Coverage on the Impact of Globalization on HR. Further discussion on the impact of globalization on HR was added throughout with a focus on both Canadian organizations’ interactions on a global scale and the impact of immigrants on the Canadian labour force. Specific sections, such as performance management (in addition to performance appraisal), the impact of immigration on the labour force, and employability skills, are introduced.

Integrated Chapters. Rather than approaching topics as isolated silos, the book highlights areas of overlap in order to present HRM as an integrated set of topics.
More and more HR professionals are improving the initial screening process. 

**STEP 1: PRELIMINARY APPLICANT SCREENING**

Employees with basic background information about the employer and specific information that they need to complete a test could be appropriate when the discipline, and fewer employee grievances. It can also reduce the number of work-related accidents and illnesses. The Employment Insurance Act of Canada, Policy Development Directorate, July 2007. Reproduced with the permission of the Minister of Public Works and Government Services Canada, 2012.

### Required Professional Capabilities (RPCs)

The required professional capabilities to be discussed are listed at the beginning of each chapter and indicated in the margins throughout the text. These RPCs are set out by the Canadian Council of Human Resources Associations for students preparing to write the National Knowledge Exam.

**HR by the Numbers.** This new element added in multiple places throughout each chapter focuses on the impact of HR practices and policies. The format of these sections is more magazine style and visually enticing for the students.

---

**Highlighted Themes**

- **Workforce Diversity.** The *Workforce Diversity* boxes describe some of the issues and challenges involved in managing the diverse workforce found in Canadian organizations. The broad range of types of diversity addressed include generational/age, ethnic, gender, racial, and religious.

- **Strategic HR.** These boxes provide examples that illustrate the ways in which organizations are using effective HRM policies and practices to achieve their strategic goals.
Entrepreneurs and HR

Suggestions, examples, and practical hints are provided to assist those in smaller businesses who have limited time and resources to implement effective HRM policies and procedures.

Global HRM

In recognition of the increasing impact of globalization, topics highlighted in the Global HRM boxes include cultural issues in retirement plans, employment contracts in Europe, and the importance of personal relationships for business success in China.

Additional Features

Learning Outcomes. Specific learning goals are defined on each chapter-opening page.

Key Terms. Key terms appear in boldface within the text, are defined in the margins, and are listed at the end of each chapter.

Current Examples. Numerous real-world examples of HRM policies, procedures, and practices at a wide variety of organizations, ranging from small service providers to huge global corporations, can be found throughout the text.

Full-Colour Figures, Tables, and Photographs. Throughout each chapter, key concepts and applications are illustrated with strong, full-colour visual materials.

Web Links. Helpful internet sites are provided throughout the text and are featured in the margins.

End-of-Chapter Summaries. At the end of each chapter, the summary reviews key points related to each of the learning outcomes.

End-of-Chapter Review and Discussion Questions. Each chapter contains a set of review and discussion questions.

Critical Thinking Questions. Each chapter contains end-of-chapter questions designed to provoke critical thinking and stimulate discussion.

Experiential Exercises. Each chapter includes a number of individual and group-based experiential exercises that provide learners with the opportunity to apply the text material and develop some hands-on skills.
Student Supplements

CourseSmart for Students. CourseSmart goes beyond traditional expectations—providing instant, online access to the textbooks and course materials you need at an average savings of 60 percent. With instant access from any computer and the ability to search your text, you’ll find the content you need quickly, no matter where you are. And with online tools like highlighting and note-taking, you can save time and study efficiently. See all the benefits at www.coursesmart.com/students.

MyManagementLab (www.mymanagementlab.com) delivers proven results in helping individual students succeed. It provides engaging experiences that personalize, stimulate, and measure learning for each student. Students and instructors can make use of the following online resources:

- **Study Plan**: MyManagementLab offers chapter pre-tests that generate personalized Study Plans showing students exactly which topics require additional practice. The Study Plan links to multiple learning aids, such as student PowerPoint slides, the eText, and glossary flashcards. After students work through the learning aids, they can take a post-test to measure their improvement and demonstrate their mastery of the topics.

- **Audio Glossary Flashcards**: This study tool provides a targeted review of the Key Terms in each chapter. The Audio Glossary Flashcards allow learners to select and listen to the specific terms and chapters that they would like to study. The cards can also be sorted by Key Term or by definition to give students greater flexibility when studying.

- **Pearson eText**: MyManagementLab also includes an eText version of *Management of Human Resources: The Essentials*, including a complete Glossary and Index. This dynamic, online version of the text is integrated throughout MyManagementLab to create an enriched, interactive learning experience for students. Users can create notes, highlight text in different colours, create bookmarks, zoom, and click hyperlinked words and phrases to view definitions and go directly to weblinks. The Pearson eText allows for quick navigation to key parts of the eText using a table of contents and provides full-text search.

Instructors and students can also access Chapter Quizzes, Case Assessments, Annotated Text Figures, and many additional study tools designed to engage learners and improve student understanding.
Instructor Supplements

The following instructor supplements are available for download from a password-protected section of Pearson Canada’s online catalogue (vig.pearsoned.ca). Navigate to your book’s catalogue page to view a list of the supplements that are available. See your local sales representative for details and access.

- **Instructor’s Manual with CBC Video Guide.** This comprehensive guide contains a detailed lecture outline of each chapter, descriptions of the discussion boxes, answers to review and critical thinking questions, answers to the case questions, hints regarding the experiential exercises, and helpful video case notes.

- **Running Case.** The running case has been moved out of the print edition of each chapter and added to the instructor’s manual. This running case illustrates the types of HRM challenges confronted by small-business owners and front-line supervisors. It is accompanied by critical thinking questions, which provide an opportunity to discuss and apply the text material. This provides an ongoing case to integrate ideas in chapters effectively.

- **Case Incidents.** Case incidents have also been moved from the print edition and now can be found in the instructor’s manual for each chapter. These cases present current HRM issues in a real-life setting and are followed by questions designed to encourage discussion and promote the use of problem-solving skills.

- **Test Item File.** This comprehensive test bank contains more than 1 500 multiple-choice, true-or-false, and short-essay questions in Microsoft Word® format.

- **PowerPoint® Lecture Slides.** This practical set of PowerPoint lecture slides outlines key concepts discussed in the text, and includes selected tables and figures from the text.

- **Clicker PowerPoint® Slides.** This set of Clicker-ready slides is suitable for use with any Personal Response System.

**Pearson Canada/CBC Video Library.** Pearson Canada and the CBC have worked together to provide six video segments from the CBC series *The National*. Designed specifically to complement the text, this case collection is an excellent tool for bringing students in contact with the world outside the classroom. These programs have extremely high production quality and have been chosen to relate directly to chapter content.

**MyTest.** MyTest from Pearson Canada is a powerful assessment generation program that helps instructors easily create and print quizzes, tests, and exams, as well as homework or practice handouts. Questions and tests can all be authored online, allowing instructors ultimate flexibility and the ability to efficiently manage assessments at any time, from anywhere. MyTest for *Management of Human Resources: The Essentials*, Fourth Canadian Edition, includes more than 1 500 multiple-choice, true-or-false, and short-essay questions.
CourseSmart. CourseSmart goes beyond traditional expectations—providing instant, online access to the textbooks and course materials you need at a lower cost for students. And even as students save money, you can save time and hassle with a digital eTextbook that allows you to search for the most relevant content at the very moment you need it. Whether it’s evaluating textbooks or creating lecture notes to help students with difficult concepts, CourseSmart can make life a little easier. See how when you visit www.coursesmart.com/instructors.

Technology Specialists. Pearson’s technology specialists work with faculty and campus course designers to ensure that Pearson technology products, assessment tools, and online course materials are tailored to meet your specific needs. This highly qualified team is dedicated to helping schools take full advantage of a wide range of educational resources by assisting in the integration of a variety of instructional materials and media formats. Your local Pearson Canada sales representative can provide you with more details on this service program.

Other Resources

- **HRManagement Simulation.** A great online simulation is available for students. Access code cards can be packaged with the text for an additional charge. Please see www.interpretive.com/rd6/index.php?pg=hrm&sid=1 and contact your Pearson representative for more details.

- **Pearson Custom Publishing** (www.pearsonlearningsolutions.com/higher-education/). Pearson Custom Publishing can provide you and your students with texts, cases, and articles to enhance your course. Choose material from Darden, Ivey, Harvard Business School Publishing, NACRA, and Thunderbird to create your own custom casebook. Contact your Pearson sales representative for more details.
ACKNOWLEDGMENTS

The manuscript was reviewed at various stages of its development by a number of peers across Canada, and we want to thank those who shared their insights and constructive criticism.

Anna Bortolon, Conestoga College
Jason Foster, Athabasca University
Richard McFadden, Georgian College
Kate Rowbotham, Queen’s University
Spring Tompkins, St. Lawrence College
Amy Lynn Tucker, Thompson Rivers University

At Pearson Canada, we are very grateful to Deana Sigut, Acquisitions Editor; Leigh-Anne Graham, Senior Marketing Manager; Charlotte Morrison-Reed, Developmental Editor; Jessica Hellen, Project Manager; and all the other people behind the scenes who have helped make this edition possible.

A special note of thanks is extended to research assistants Mark Berger and Kayla Dynan.

Gary Dessler  
Florida International University

Nita N. Chhinzer  
University of Guelph

Nina D. Cole  
Ryerson University
Dr. Nita N. Chhinzer

Dr. Nita N. Chhinzer is an Assistant Professor of Human Resources at the Department of Business, University of Guelph. Her research is concentrated on Strategic Human Resources Management, with a strong focus on downsizing practices, procedures, and ethics. Her program of research includes securing a stronger understanding of downsizing activity in the Canadian context, with an aim to affect public policy and legislation regarding layoffs. She has gained international recognition with conference participation including Athens, Greece; Paris, France; Dubai, UAE; and many North American speaking engagements. From May 2012–2017, Dr. Chhinzer is the recipient of the prestigious Fellowship in Leadership, HRM and Work.

Dr. Nina D. Cole

Dr. Nina Cole has over 30 years of experience in human resources management as a practitioner, consultant, researcher, and professor. She worked in business for 12 years as an HR management consultant and an HR manager with federal industries. Since 1990, she has worked as an academic, teaching and conducting research in human resources management and organizational behaviour. Dr. Cole is currently an Associate Professor at the Ted Rogers School of Management at Ryerson University in Toronto. She has been an active member of the Administrative Sciences Association of Canada, the Human Resources Professionals Association, and numerous other academic, industry, and community groups for many years.