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UNIT 1 LEGAL ENVIRONMENT 1

Issue 1. Is Affirmative Action Still Necessary? 2

YES: David L. Chappell, from "If Affirmative Action Fails . . . What Then?" *New York Times* (May 8, 2004) 6

NO: Jonathan Kaufman, from "Fair Enough? Barack Obama's Rise Has Americans Debating Whether Affirmative Action Has Run Its Course," *Wall Street Journal* (June 14, 2008) 9

David L. Chappell, a columnist and public speaker, believes that affirmative action programs are still required as our society continues to live in racial segregation in tacit and non-tacit ways. He feels that affirmative action programs will benefit individuals who are truly in need of better opportunities in academe or the corporate world. Jonathan Kauffman, education editor at Bloomberg, believes that affirmative action programs should refocus their overarching goals so that the truly disadvantaged get opportunities to advance. He emphasizes how President Obama, an African American, is the highest political leader today, making policymakers question that affirmative action programs need to be readdressed.

Issue 2. Will the Americans with Disabilities Act Amendments Act (ADAAA) Be Abused in the U.S. Workplace? 16

YES: Dina Berta, from "Labor Lawyers: Changes to Americans with Disabilities Act May Lead to More Workplace Discrimination Suits," *Nation's Restaurant News* (October 2008) 20

NO: Victoria Zellers, from "Make a Resolution: ADA Training," HR Magazine (January 2009) 22

Award-winning writer Dina Berta suggests that the ADA (Americans with Disabilities Act) has always been controversial because it was difficult to define and understand. Now that the act has been redefined to ADAAA (Americans with Disabilities Act Amendments Act), it will allow more employees to fall under the disability category, which could increase the number of lawsuits. Legal attorney Victoria Zellers argues that sufficient training of HR professionals could substantially reduce litigation expenses for organizations. The HR department should be proactive to understand and provide for the special needs of their employees.

Issue 3. Has the Sarbanes–Oxley Act Helped U.S. Corporations? 28

YES: Edward Cone, from "Learning to Live with SOX," CIO Insight, 1(69), (2006) 31

NO: C.J. Prince, from "Unintended Consequences," *Chief Executive*, vol. 205, (2005) 37

The article offers interesting insights as to why the act is useful in the American corporate world. The article provides several examples to substantiate its points. C.J. Prince, a writer with 15 years experience, suggests that the Sarbanes–Oxley Act has placed a lot of burden on organizations. Today organizations are more concerned about their ethical rather than their strategic agenda.

Issue 4. Should Employees Be Allowed to Wear Symbols of Faith in the Workplace? 44

YES: Robert J. Grossman, from "Religion at Work," HR Magazine (December 2008) 48

NO: Robert D. Ramsey, from "When Religion and Work Clash," Supervision (September 2007) 56

Robert J. Grossman, professor of management, suggests that organizations should adopt a faith-friendly approach and allow employees to wear their symbols of faith. He provides examples of leading companies such as Coca-Cola and Ford Motors that have taken progressive steps regarding wearing symbols of faith and have observed positive HRM outcomes. Robert D. Ramsey, author and freelance writer, argues that accommodating religious requests might become a never-ending laundry list of requests that could hamper business goals and profits. Organizations should always keep their business interests and objectives as their top priority.

UNIT 2 TALENT ACQUISITION 63

Issue 5. Are Social Networking Sites Good Recruitment Sources? 64

YES: Jamie Vicknair, Dalia Elkersh, Katie Yancey, and Michael C. Budden, from "The Use of Social Networking Websites as a Recruiting Tool for Employers," *American Journal of Business Education*, vol. 3, no. 11, 7–12 (2010) 67

NO: Daniel J. Solove, from "The End of Privacy?" *Scientific American*, vol. 299, no. 3 (September, 2008) 73

Jamie Vicknair and colleagues suggest most employers use SNS as a preliminary screening tool. They state that though Gen Y applicants are aware of this trend, yet they post a lot of personal information online. This could have powerful consequences on their employment profile. Daniel J. Solove, a law professor at George Washington University, and also the author on several books on topics related to privacy, asserts that online information is not an accurate and honest source for recruiters. Gen Yers are more likely to post incorrect information when personal and business relationships become unpleasant.

Issue 6. Are Personality Tests Good Predictors of Employee Performance? 81

- YES: Ira Blank, from "Selecting Employees Based on Emotional Intelligence Competencies: Reap the Rewards and Minimize the Risk," Employee Relations Law Journal (December 2008) 84
- NO: Erin White, from "Theory and Practice: Personality Tests Aim to Stop 'Fakers'; Some Say Tool's Accuracy Could Be Improved to Make Misrepresentations Harder," Wall Street Journal (Eastern Edition) (November 6, 2006) 93

Ira Blank, litigation attorney, suggests that personality tests are excellent predictors of job performance because they identify several critical work-related skills needed in today's team and multicultural environment. Erin White, reporter for the *Wall Street Journal*, cites the studies of Dr. Griffith, which state that students always fake their personality when they realize the outcomes are different. Questions on these tests are so transparent that it is easy to manipulate the answers.

Issue 7. Is Cognitive Ability Testing a Good Predictor of Work Performance? 98

YES: Martha J. Frase, from "Smart Selections," HR Magazine (December 2007) 101

NO: Rangarajan (Raj) Parthasarathy, from "Emotional Intelligence and the Quality Manager: Beauty and the Beast?" *The Journal for Quality and Participation* (January 2009) 106

Martha Frase, freelance writer, suggests that cognitive ability tests are excellent predictors of work performance because they are objective, valid, and reliable. Further, these tests can be administered to a variety of job categories from entry to executive levels. Raj Parthasarathy, process improvement manager, states that emotional intelligence is the best predictor of job performance because it involves critical components of self and relationship management. Researchers are paying increasing attention to emotional intelligence (EI) as its components have positive consequences on job performance.

Issue 8. Would Mandatory Background Checks for All Employees Reduce Negligent Hiring Lawsuits? 113

YES: Lessing E. Gold, from "Security and the Law: Get a Background Check," SDM Magazine (October 2007) 117

NO: Chad Terhune, from "The Trouble with Background Checks: Employee Screening Has Become a Big Business, but Not Always an Accurate One," *BusinessWeek* (June 2008) 119

Lessing Gold, attorney and writer, contends that organizations have a liability in checking the background references of both their permanent or temporary applicants. He indicates how applicants with criminal records emerge back into the work environment with false records, potentially putting customers and coworkers in jeopardy. Chad Terhune, writer for SmartMoney, asserts that information from background checking companies is so inaccurate that it is very unfair to several whose employment records have become blemished. He feels that the unregulated nature of this industry could be one of the main reasons for such employment errors.

UNIT 3 WOMEN IN CORPORATE LEVELS 129

Issue 9. Do Women Make Better Business Leaders? 130

- **YES:** Ann Pomeroy, from "Cultivating Female Leaders," *HR Magazine* (February 2007) 133
- NO: Herminia Ibarra and Otilia Obodaru, from "Women and the Vision Thing," *Harvard Business Review* (January 2009) 140

Ann Pomeroy, who recently served as a senior writer for *HR Magazine*, illustrates with the example of Safeway how organizations have identified that women are better business leaders. She suggests that women have some innate characteristics that serve them well as leaders. INSEAD Professor Herminia Ibarra and her doctoral student, from their research study, suggest that women demonstrate low visionary skills. These business skills are very important for understanding the dynamic business environment and hence women may not be effective leaders.

Issue 10. Does the Glass Ceiling Still Exist in U.S. Organizations? 153

- YES: Jessica Marquez, from "Gender Bias Found to Start Early in Career," Workforce Management (June 2009) 156
- NO: Anonymous, from "Women in the Economy (A Special Report)—Tales from the Front Lines: On How They Did What They Did," *Wall Street Journal* (p. R.6, 2011) 158

Jessica Marquez, journalist at *Workforce Management*, suggests that women face a glass ceiling possibly because their careers begin much later and they have more career interruptions due to family commitments. The article provides examples of leading women in the corporate world. These professional women share their work stories and corporate recipes with the readers.

UNIT 4 EMPLOYEE PERFORMANCE AND ORGANIZATIONAL PRODUCTIVITY 167

Issue 11. Does Increased Dependence on Laptops, Cell Phones, and PDAs Hurt Employee Productivity? 168

YES: Paul Hemp, from "Death by Information Overload," *Harvard Business Review* (September 2009) 171

NO: Michelle LaBrosse, from "Working Successfully in a Virtual World," *Employment Relations Today* (2007) 181

Paul Hemp, a Harvard Law School graduate and editor of the *Harvard Business Review*, argues that our current society is facing loss of productivity due to excessive dependence on technology (such as BlackBerrys, cell phones, etc.), blurring boundaries between home and work. Michelle LaBrosse, one of the 25 Most Influential Women in Project Management, contends that modern technological devices allow employees to be connected to form virtual teams.

Issue 12. Do Unions Help Organizational Productivity? 188

YES: AFL-CIO, from "Unions Are Good for Business, Productivity, and the Economy," http://www.aflcio.org/joinaunion/why/uniondifference/uniondiff8.cfm (2009) 192

NO: Dennis K. Berman, from "The Game—Dr. Z's Chrysler Predicament: Selling Unions on Sacrifice," Wall Street Journal (Eastern Edition) (April 24, 2007) 195

The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) Web site identifies the work of Professor Harley Shaiken, from the University of California—Berkeley, who states the positive impact of unions on HRM outcomes. Dennis Berman, *Wall Street Journal* journalist and 2003 Pulitzer Prize winner, argues that the current state of the auto industry is mainly due to excessive demands of the unions. The high cost of maintaining labor is passed on to the consumers and reduces organizational profit margins.

UNIT 5 COMPENSATION AND PERFORMANCE APPRAISAL 201

Issue 13. Has Merit Pay Lost Its Meaning in the Workplace? 202

YES: Fay Hansen, from "Merit-Pay Payoff?" Workforce Management (November 2008) 205

NO: Susan J. Wells, from "No Results, No Raise." *HR Magazine* (vol. 50, no. 5, pp. 76–80, 2005) 210

Fay Hansen, contributing editor for *Workforce Management*, provides studies of leading professors from Stanford and MIT which suggest that merit pay has lost its meaning because employees are not being actually rewarded for performance. They assert that this compensation system is not distinguishing between success and failure and hence has lost its meaning in the workplace. S. J. Wells, a writer for *HR Magazine*, contends that organizations should become rigorous in establishing a pay-for-performance culture. She provides examples of organizations that have established such practices successfully.

Issue 14. Is Forced Ranking an Effective Performance Management Approach? 217

YES: Alex Blyth, from "Cull or Cure?" *Personnel Today* (May 2007) 220

NO: Gail Johnson, from "Forced Ranking: The Good, the Bad, and the Alternative," *Training* (May 2004) 223

Alex Blyth reiterates the thoughts of Microsoft leaders on forced ranking. This performance approach is very good at identifying the underperformers and rewarding the stars. Gail Johnson, former editor of *Training* magazine, suggests this method is flawed because it encourages a very competitive and dysfunctional work environment.

Issue 15. Is the U.S. Executive Pay Model Flawed? 233

- YES: Sarah Anderson, John Cavanagh, Chuck Collins, Mike Lapham, Sam Pizzigati, from "Executive Excess 2007," at the Institute for Policy Studies, http://www.ips-dc.org/reports/#84 (2007) 237
- NO: Robert B. Reich, from "The Economic Argument for CEO Pay," Wall Street Journal (Eastern Edition) (September 14, 2007) 248

Compensation expert and IPS Fellow Sarah Anderson and her colleagues argue that U.S. CEOs are substantially overpaid in a 2008 study conducted for the Institute for Policy Studies. Professor Reich from Berkeley states that the capitalistic system promotes a principle of supply and demand. There are very few qualified executives, so they are in high demand. Executives have distinguished educational and work records that result in their elaborate pay levels.

UNIT 6 THE EFFECT OF HRM PRACTICES 255

- Issue 16. Does Attracting, Developing, and Retaining the Millennial Generation Require Significant Changes to Current HRM Practices? 256
 - YES: Charles Woodruffe, from "Generation Y," *Training Journal* (July 2009) 260
 - NO: Dana Kyles, from "Managing Your Multigenerational Workforce," *Strategic Finance* (2005) 266

Charles Woodruffe is an author and CEO of a company that focuses on managing winning talent. He states that Gen Yers might need a new set of management practices as the current practices might not be very congruent with their personality needs and characteristics. This generation has experienced accomplishments and rewards right through their lives and will have the same expectations at the workplace. Dana Kyles, freelance writer for <code>BusinessWeek</code> and <code>Strategic Finance</code> magazines, informs readers that it is possible for multiple generations to work harmoniously together. Several HRM practices appeal to all the generations unanimously and organizations should try and identify these common practices.

- Issue 17. Do Human Resource Management (HRM)
 Practices (Such as Selection, Training,
 Performance Management, and Compensation)
 Contribute to Increased Firm Performance? 272
 - YES: Anonymous, from "Google's Lessons for Employers: Put Your Employees First," *HR Focus* (vol. 85, no. 9, pp. 8–9, September 2008) 276
 - NO: Keith H. Hammonds, from "Why We Hate HR," Fast Company (vol. 97, pp. 40–47, 2005) 278

This article interviews the senior HRM leader in Google Inc. to identify how HRM practices have contributed to their phenomenal success and

growth of the organization. Lazlo Bock, HRM leader of Google, insists that it is his HRM practices and the Google employees that make his organization outstanding. Keith Hammonds, former executive editor of *Fast Company* magazine, suggests that HRM leaders are never in the forefront in most organizations. Hence, HRM departments do not provide any substantial profits or growth in organizations.

UNIT 7 GLOBAL HRM 291

Issue 18. Is Overseas Outsourcing a Good U.S. Business Strategy? 292

YES: John E. Gnuschke, Jeff Wallace, Dennis R. Wilson, and Stephen C. Smith, from "Outsourcing Production and Jobs: Costs and Benefits," *Business Perspectives* (Spring 2004) 296

NO: Murray Weidenbaum, from "Outsourcing: Pros and Cons," Executive Speeches (August/September 2004) 303

Professor John Gnuschke and colleagues from the University of Memphis insist that outsourcing is a good business strategy as it creates higher profits, delivers cheaper products, and reduces customer response time. Most multinationals are taking advantage of the outsourcing trends as the benefits surpass the costs. Professor Murray Weidenbaum from Washington University suggests that there are several barriers to a smooth outsourcing process such as language barriers, technology glitches, and intellectual rights. Outsourcing has become a national topic, making employees aware of this global labor trend.

Issue 19. Is the Sweatshop Concept Adopted by the U.S. Manufacturers Overseas Ethical? 312

- YES: Tara J. Radin and Martin Calkins, from "The Struggle Against Sweatshops: Moving Toward Responsible Global Business," *Journal of Business Ethics* (vol. 66, nos. 2–3, pp. 261–272, 2006) 315
- NO: Dennis G. Arnold and Laura P. Hartman, from "Beyond Sweatshops: Positive Deviancy and Global Labor Practices," *Business Ethics: A European Review* (vol. 14, no. 3, pp. 206–210, July 2005) 321

Professor Radin and Professor Calkins provide a very informative view as to why sweatshops still exist despite all their controversies. They also provide several alternatives for organizations while adopting sweatshop manufacturing facilities overseas. The Web sites showcase how women are generally exploited in sweatshops and how Walmart abused its employees in its overseas facilities.

Issue 20. Are U.S. Companies Adaptive to Local Practices Overseas? 327

YES: Mike Hughlett, from Strong Amid Slowdown Worries Sitting Pretty: McDonald's Overseas Sales Are Surging as It Adapts Successful U.S. Operations to Local Tastes, Styles of Its International Restaurants (McClatchy—Tribune Information Services, 2008) 331 NO: Jaya Halepete, K. V. Seshadri Iyer, and Soo Chul Park, from "Wal-Mart in India: A Success or Failure?" *International Journal of Retail & Distribution Management* (vol. 36, no. 9, pp. 701–713, 2008) 334

Hughlett, a food reporter, provides evidence of how McDonald's has innovatively created different menus to ensure their consumers are happy. Further, the company also has paid attention to local management practices to enhance its corporate success. Assistant Professor Halepete and her colleagues do an excellent case analysis of Walmart in Germany, Korea, and India, providing evidence of how important cultural values are in making or breaking a company.

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