

University of Pennsylvania
The Wharton School

MANAGEMENT 104
Industrial Relations and Human Resource Management

Professor Valery Yakubovich
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Office Hours:
Tue and Thu 4:30 – 5:30pm
or by appointment.

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Course Overview:

This is an introductory management course in which we will learn the general principles and explore specific cases of *effective industrial relations and human resource management policies and practices that make the aggregate performance of a firm as a whole greater than the sum of the individual performances of the same workers employed elsewhere*. Such policies and practices contribute to the success of the firm and enhance the career prospects of its employees under conditions of increasing labor market uncertainty.

Since you are more likely to be an employee, rather than an employer, at least in the proximate future, the course pays closer attention to the employee's perspective on the processes of recruitment, training and development, evaluation, compensation, career development, and work- life integration.

The course material consists of two parts. The first part presents theoretical perspectives on the employment relationship which account for, among other things, competitive markets for labor and products, internal labor markets, employment law and regulations, labor unions, and social relationships in the workplace. The second part is devoted to everyday facets of managing the employment relationship, such as recruitment and retention, training, evaluation, compensation, and collective bargaining.

The presentation of each topic includes reading materials, cases, video clips, and practical exercises. The proportions and order in which they are introduced will vary from topic to topic to help you get a grasp, at both a theoretical and practical level, of the interdependencies among ideologies, policies, and practices for managing people as they relate to wages, benefits, working conditions, and ways of organizing work, among other things. We refer to such interdependent ideologies, policies, and practices as *human resource systems* and explore historical and international differences among them.

The course is a survey course and has no prerequisites.

Required Readings

The course bulkpack is available online at www.Study.net where you can order a hardcopy as well.

The readings are drawn from a number of sources, including academic research articles, excerpts from longer works in industrial relations and human resource management, short articles from the popular and business presses, and case studies. The goal of the readings is two-fold: (1) to introduce the terminology and concepts, and (2) to frame a problem for in-class discussion. I do not rebroadcast the assigned material in class, but rather build on it to develop further the session's key themes. Therefore, it is critical that you come to class fully prepared.

I will post supplementary readings in the Web Café which should help you navigate your own research of the subject and link the course material to current business life. It is up to you to consult these readings as necessary. Just keep in mind that higher grades in the course require demonstrable evidence of extra reading and research.

Additional handouts may be distributed throughout the course; these will be billed at the end of the term by the bursar. For your benefit, I reserve the right to replace some materials during the course at no extra cost to you.

Course Requirements and Grading

Grading is based on five components: course project, class participation, two short papers, and a mid-term exam. I grade all the three sections together on a curve with B+ as the average grade target.

Course Project “LiveWork: a Research Analyst in a Virtual Workplace”

This course project is the anchor of the course and it will create opportunities for experiential learning to complement your prior work experience, for example summer internships. Your participation in the course project will provide observations and data for class discussions and course assignments.

The project is offered and administered in collaboration with LiveOps whose new virtual platform www.LiveWork.com is a on-demand work marketplace that enables companies to engage workforce as needed to either augment in-house employees or outsource tasks. LiveWork was created to address fluctuations in demand which are considered to be expensive to address by a permanent workforce.

You will perform analytical and consulting work as an independent contractor, a team manager (provider) or an analyst/consultant (expert), of LiveWork. The product delivered and observations and experience accumulated while on the job will serve as an input into class discussions, the two short papers and the project report that you will be required to complete.

The project consists of the following stages:

- (1) All students register on LiveWork.com, create an individual profile , take tests to validate their skills, and become “Experts”.
- (2) Next, all students apply for the next level, to be a “Provider”. About 20% of the students will be selected to be Providers.
Providers act as liaisons between clients and experts. As such, they perform the following functions: workforce recruiting, screening and certification; project/task management; scheduling; payment processing; feedback to Experts.
- (3) Experts will work in teams to complete specific projects under the supervision of Providers.
- (4) Each task team submits a final report that includes a critical analysis of LiveWork’s HR system and suggestions for improvement.

More details about the course project, its timetable, and evaluation criteria will be released during the third week of classes.

The course project will count for **25%** of the final grade.

Class Participation

The first requirement of the course is participation, which will count toward 20% of the final grade.

Participation includes class attendance, informed involvement in class discussions, quizzes, and group exercises. I will provide preliminary class participation feedback to those who are interested after the midterm.

Late arrival is disruptive to the learning environment and promptness is expected. The use of laptops, mobile phones, and other electronic devices is strictly prohibited unless you receive my permission in advance.

To help you prepare for class participation, each session is accompanied by discussion questions and exercises which you can always find on the last page of the handout for the previous session.

Because our learning so critically depends on the quality of in-class discussions, I would like to lay out in a little detail what I believe are important dimensions of class participation:

1. The participant is a good listener.
2. Comments and questions are relevant to the discussion.
3. Comments and questions add to the level of knowledge in the class.
4. The participant demonstrates willingness to take risk by bringing a well-argued counterintuitive perspective on the topic.

5. The participant is able to build on the prior contributions of other class members and, more generally, interacts with them.

I expect everyone to be prepared each week and will call on students in class. If, for some (good) reason you are not adequately prepared for class, please let me know beforehand, so I will not call on you.

Two Short Papers

You are required to turn in two papers, each to be 1,000 – 1,100 words long, on the topics assigned by the instructor one week prior to the submission deadline. Your electronic submission on the WebCafe will be due at the beginning of the class on the date of the deadline.

The papers should be double-spaced in 12-point font, with margins of 1.25 inches. Late submissions are not accepted.

Each paper constitutes 15% of the final grade.

Midterm Exam

The midterm exam will be administered in class at 6-8 pm on October 22nd and will cover the first half of the course material. That day's regular class will be cancelled. The exam will consist of short essays, open-ended questions, and multiple choice questions. It will count for 25% of the final grade.

Academic Integrity

All students are expected to abide by the Code of Academic Integrity, which can be found online at <http://dolphin.upenn.edu/~honor/students.htm>. Students who violate this code will receive a failing grade in the course and will be reported to the Office of Student Conduct.

I encourage you to consult the resources provided by the Office of Student Conduct: www.upenn.edu/academicintegrity.

Contact Information

During the Fall semester, I am available in my office (2023 Steinberg Hall – Dietrich Hall) on Tuesdays and Thursdays from 4.30 to 5.30 p.m. Also, I am available at other times by appointment and can be reached by phone at (215) 746-3132 and by e-mail at Valery.Yakubovich@wharton.upenn.edu. I encourage you to talk to me about any questions or concerns you might have about the course. We all benefit when the lines of communication are kept open.

Class Schedule

Date		Week	Session	Comments
Thursday	10-Sep-2009	1	1	
Tuesday	15-Sep-2009	2	2	
Thursday	17-Sep-2009	2	3	
Tuesday	22-Sep-2009	3	4	
Thursday	24-Sep-2009	3	5	
Tuesday	29-Sep-2009	4	6	
Thursday	01-Oct-2009	4	7	
Tuesday	06-Oct-2009	5	8	Paper 1 is due
Thursday	08-Oct-2009	5	9	
Tuesday	13-Oct-2009	6	10	
Thursday	15-Oct-2009	6	11	
Tuesday	20-Oct-2009	7	12	Telecommuting session
Thursday	22-Oct-2009	7	13	Midterm exam, class meet at 6-8 pm
Tuesday	27-Oct-2009	8	14	
Thursday	29-Oct-2009	8	15	
Tuesday	03-Nov-2009	9	16	Paper 2 is due
Thursday	05-Nov-2009	9	17	Guest speaker, class meet at 6-8 pm
Tuesday	10-Nov-2009	10	18	
Thursday	12-Nov-2009	10	19	
Tuesday	17-Nov-2009	11	20	
Thursday	19-Nov-2009	11	21	
Tuesday	24-Nov-2009	12	22	
Thursday	26-Nov-2009	12	Break	
Tuesday	01-Dec-2009	13	23	
Thursday	03-Dec-2009	13	24	
Tuesday	08-Dec-2009	14	25	
Thursday	10-Dec-2009	14	26	Final project reports are due

Session 1Thu, Sep 10thReadings:**Introduction and Course Overview**Hammonds, K. H. (2005). “Why we hate HR.” *Fast Company*, 97, 40-48.**Session 2**Tue, Sep 15thReadings:**High Performance Employment Systems**O’Reilly, Charles A. and Jeffrey Pfeffer. 2000. “Southwest Airlines: If Success Is So Simple, Why Is It So Hard to Imitate?” From Chapter 2 in *Hidden Value: How Great Companies Achieve Extraordinary Results with Ordinary People*: 21-48.

“Suggestions for Preparing a Case.” Memo.

Session 3Thu, Sep 17thReadings:**The New Employment Relationship**Cappelli, Peter. 1999. Chapter 1 from *The New Deal at Work*: 17-48.**Session 4**Tue, Sep 22thReadings:**The Structure of the Labor Market**Ehrenberg, Ronald G. and Robert S. Smith. 2006. “Overview of the Labor Market.” From Chapter 2 in *Modern Labor Economics*: 25-47.Reynolds, Lloyd G., Stanley H. Masters, and Colletta H. Moser. 1998. “Internal Labor Markets.” From Chapter 12 in *Labor Economics and Labor Relations*: 346-360.Exercise:

Access and explore the following Web sites:

1. The U.S. Bureau of Labor Statistics. Go to <http://stats.bls.gov>. Here, the “Get Detailed Statistics” is especially important. In particular, review “Overall Most Requested BLS Statistics” from the Current Population Survey and Current Employment Statistics.
2. The U.S. Department of Labor. Go to <http://www.dol.gov/>
3. Census Bureau and FedStats: Go to <http://www.census.gov/econ/census02/> and look at the data for “Businesses with paid employees” and “Businesses with/without paid employees.”
4. Also, visit <http://www.fedstats.gov>.

Session 5Thu, Sep 24thReadings:**Labor Unions and Business**

Katz, Harry & Thomas Kochan. 2004. Chapter 2 from *An Introduction to Collective Bargaining and Industrial Relations* (3rd edition): 17-46.

Session 6Tue, Sep 29thReadings:**Human and Social Capital**

Reynolds, Lloyd G., Stanley H. Masters, and Colletta H. Moser. 1998. “Human Capital: Education and Job Training.” From Chapter 5 in *Labor Economics and Labor Relations*: 105-120.

Baker, Wayne. 2000. “What Is Social Capital and Why Should You Care About It?” Chapter 1 from *Achieving Success Through Social Capital: Tapping Hidden Resources in Your Personal and Business Networks*, pp: 1-15.

Session 7Thu, Oct 1stReadings:**The Firm as a Network**

Cross, Robert and Prusak, Laurence. 2002. “The People Who Make Organizations Go – or Stop.” *Harvard Business Review*, 80(6): 104-111.

Case:

Hill, Linda A. 1995. “Slade Plating Department.” HBS 9-496-018: 11p.

Session 8Tue, Oct 6thCase:**The Firm as a Collaborative Community**

Heckscher, Charles. 2007. “Citibank e-Solutions.” Pp. 85-107 in *The Collaborative Enterprise: Managing Speed and Complexity in Knowledge-Based Businesses*. Yale University Press.

Session 9Thu, Oct 8thReadings:**The Employment Relationship in a Collaborative Community**

Hemp, Paul and Thomas A. Stewart. 2004. “Leading Change When Business Is Good.” *Harvard Business Review*, 82(12): 60-70.

Case:

“IBM: Value and Values in the Employment Relationship.”
In-class discussion of the first paper assignment.

Session 10Tue, Oct 13thReadings:**Selective Recruitment and Retention I**

Jenks, James M. & Briand L.P. Zevnik. 1989. “ABCs of Job Interviewing.” *Harvard Business Review*, 67(4): 38-42.

Gladwell, Malcolm. 2000. “The New-Boy Network” *The New Yorker*, May 29:68-86.

Exercise:

Staffing exercise

Session 11 Thu, Oct 15 th	Selective Recruitment and Retention II
<u>Readings:</u>	Cappelli, Peter. 2000. "A Market-Driven Approach to Retaining Talent." <i>Harvard Business Review</i> , 78(1):103-111.
	Gladwell, Malcolm. 2004. "Personality Plus." <i>The New Yorker</i> , September 20:42-48.
<u>Exercise:</u>	Personality test, interview questions
Session 12 Tue, Oct 20 th	Managing a Virtual Workplace
<u>Exercise:</u>	Telecommuting session
Session 13 Thu, Oct 22 st	Midterm Exam
Session 14 Tue, Oct 27 rd	Collective Bargaining Game
<u>Readings:</u>	David A. Lax & James K. Sebenius. 1986. "The Negotiator's Dilemma: Creating and Claiming Value." Chapter 2 from <i>The Manager as Negotiator</i> : 29-45.
Session 15 Thu, Oct 29 th	The Law and Practice of Collective Bargaining: Bargaining Game Debrief
<u>Readings:</u>	Katz, Harry & Thomas Kochan. 2004. "The Legal Regulation of Unions and Collective Bargaining." Chapter 3 from <i>An Introduction to Collective Bargaining and Industrial Relations</i> (3 rd edition): 52-61.
Session 16 Tue, Nov 3 rd	Self – Managing Teams
<u>Readings:</u>	Ruth Wageman. 1997. "Critical Success Factors for Creating Superb Self-Managing Teams." <i>Organizational Dynamics</i> 26(1): 49-61.
<u>Exercise:</u>	Team assessment
Session 17 Thu, Nov 5 th	Guest Speaker
Session 18 Tue, Nov 10 th	Talent Development
<u>Case:</u>	GE's Talent Machine. HBS 9-304-049: 28 p.
Session 19 Thu, Nov 12 th	Mentorship
<u>Readings:</u>	Hill, Linda & Nancy Kamprath. 1991. "Beyond the Myth of the Perfect Mentor: Building a Network of Developmental Relationships." HBS 9-491-096: 17p.
<u>Case:</u>	Joline Godfrey and the Polaroid Corp (A). HBS 9-492-037: 15p.

Session 20 Pay SystemsTue, Nov 17thReadings:

Pfeffer, Jeffrey. 1998. “Six Dangerous Myths about Pay.” *Harvard Business Review*, 76(3): 109-119.

Case:

Björkman Ingmar, and Charles Galunic. *Lincoln Electric in China*. INSEAD, 1999. European Case Clearing House Case No. 499-021-1.

Session 21 BenefitsThu, Nov 19thReadings:

Dychtwald, Ken, Tamara J. Erickson, Robert Morison. 2007. “Flexible Compensation and Benefits.” *Workforce Crisis: How to Beat the Coming Shortage of Skills and Talent*. Boston, MA: Harvard Business Press: 179-206.

Case:

Pfeffer, Jeffrey. 1998. “SAS Institute (A): A Different Approach to Incentives and People Management Practices in the Software Industry.” HBS HR6: 16p.

Session 22 Performance EvaluationTue, Nov 24thReadings:

Meyer, Marshall W. 2002. “Introduction” from *Rethinking Performance Measurement*: 1-8.

Peiperl, Maury A. 2001. “Getting 360 Feedback Right.” *Harvard Business Review* 79(1): 142-147.

Case:

Burton, M. Diane. 1998. “Rob Parson at Morgan Stanley.” HBS 9-498-054: 16p.

Session 23 Labor Market InequalitiesTue, Dec 1stReadings:

Blau, Francine D., Marianne A. Ferber, Ann E. Winkler. 2006. “Differences in Occupations and Earnings: the Role of Labor Market Discrimination.” Chapter 7 from *The Economics of Women, Men, and Work* (5th edition):202-249.

Session 24 Diversity and Equal Opportunity in the WorkplaceThu, Dec 3rdReadings:

Klein, Katherine J. and David A. Harrison. “On the Diversity of Diversity: Tidy Logic, Messier Realities.” *Academy of Management Perspectives*, 26-33.

Orey, Michael. 2006. “White Men Can’t Help It.” *Business Week*, May 15, p.54.

Session 25 Economic Recession and Career ProspectsTue, Dec 8th

Oyer, Paul. 2008. “The Making of an Investment Banker: Stock Market Shocks, Career Choices, and Lifetime Income.”

The Journal of Finance: LXIII(6): 2601-2628.

Murray, Sara. “The Curse of the Class of 2009.”

The Wall Street Journal: May 9, 2009: 3p.

Session 26 Final Project Presentations. Course Wrap-UpThu, Dec 10th