Systems, Practices and Prospects

The third edition of Managing Employee Performance and Reward: Systems, Practices and Prospects has been thoroughly revised and updated by a new four-member author team. The text introduces a new conceptual framework based on systems thinking and a dual model of strategic alignment and psychological engagement. Each chapter provides thorough coverage of the topic with a balance between research evidence and practice, enhanced in this new edition with a more applied and technical approach.

In addition to the new framework and a more ‘how to’ approach, the text also includes:

• chapters dedicated to conceptual framing, base pay and individual recognition and reward
• ‘reality check’ activities with practical examples and current problems relating to each of four recurrent themes: strategic alignment, employee engagement, organisational justice and workforce diversity
• a chapter exploring new horizons in performance and reward practice and research with a focus on three ‘megatrends’: technological transformation under ‘Industry 4.0’; new economic forms and relationships arising from the ‘gig’ economy; and generational change, particularly associated with Millennials and Gen Z
• a larger, all new set of discussion questions and an overarching case study for each chapter.

This popular text is an indispensable resource for both students and business professionals.
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Preface

More than a decade has passed since the publication of the first edition of *Managing Employee Performance and Reward* and the context and prospects that apply today are vastly different to those prevailing when this book was first conceived in the early years of this century. The nature of organisational life, the business context, as well as business challenges and opportunities have evolved, along with the needs and expectations of employees and managers. While the previous editions were certainly written with contextual awareness, this new edition acknowledges quite explicitly its existence as an artefact of its moment in time. Consequently, it aims to address more comprehensively the trends that are reshaping, or are likely to reshape, scholarship and practice in employee performance and reward management into the 2020s.

When the first edition was being written, ‘globalisation’ was in full swing as both an ideal and a megatrend. However, faith in globalisation and the confidence displayed by the developed economies of the Western world in the first years of the new millennium were swept away by the Global Financial Crisis (2008–09). We are still living with this seismic shakeout: the United States polity reverting to isolationism, protectionism and populism unmatched since the 1920s; the European Union – that great modernist experiment in transnational cooperation – under challenge from resurgent nationalism; while politics in the United Kingdom remains in a state of suspended animation pending resolution of the Brexit debacle. These developments in the West are connected intimately to the social dislocation that continues to define the Middle East in the wake of the post-9/11 conflicts in Afghanistan and Iraq and the abortive ‘Arab Spring’ (2011–12). Meanwhile, China continues its inexorable rise as a one-party superpower, with the ‘Belt and Road’ strategy its manifesto for global primacy. These geo-political developments have transformed our world – and the world of business – in ways that could not even have been imagined just a decade ago.

But this is only the half of it. Turn your thoughts for a moment to those changes that have been transforming daily life and work over the past decade and which were either unknown or in their infancy a decade ago: social media, smartphones, the internet of things, ‘big data’, machine learning, natural language processing, robotics and artificial intelligence, fibre-optics, virtual reality technology, VOIP and mass cyber communication, to name but a few. These developments are revolutionising how we work with and relate to one another. As such, they are also reshaping the workplace and,
thereby, the very basis of human resource management, including how human work performance is defined, measured, rewarded and managed. As well as contributing to a major re-evaluation of key elements of performance and reward management, these macro-level changes are also moving performance and reward management to centre stage in human resource management practice and debate.

These factors have necessitated a major rethink of how this new edition is framed and crafted. The result, we believe, is a text that, while informed by the latest scholarship, is more future-conscious, aware of the constancy of change and explicitly practical in nature than were previous editions. The third edition is also the product of debate and deliberation between a new four-author team, each with distinct but complementary areas of expertise – from strategic human resources management, management accounting and economics to employment relations and organisational psychology.

It takes many patient and supportive fellow travellers to see a project of this magnitude through to fruition. We are immensely grateful to the many colleagues, friends and family members who have given us the benefit of their expertise, empathy, affection, counsel and good humour throughout the writing process. We are grateful to our students for allowing us to road-test ideas and explanations, for pointing out the errors of our ways and for pointing us in the right direction. Special thanks are due here to two superb students, Roxana Corduneanu (Glasgow University) and Raghvi Goel (University of Sydney), for their contributions, respectively, to the writing of the final chapter and updating the bibliography. A particular debt of gratitude is also due to Lucy Russell and colleagues from Cambridge University Press for showing faith in our capacity to deliver and for guiding us along the way.