

# PHR<sup>®</sup> AND SPHR<sup>®</sup>

HUMAN RESOURCES  
CERTIFICATION COMPLETE

# REVIEW GUIDE

**2018 EXAMS**

Provides a focused, concise review of *A Guide to the Human Resource Body of Knowledge<sup>®</sup>* (HRBoK<sup>®</sup>) and complements the updated *PHR and SPHR Professional in Human Resources Certification Study Guide, Fifth Edition*, and the updated *PHR and SPHR Professional in Human Resources Certification Deluxe Study Guide, Second Edition*.

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**JAMES J. GALLUZZO III, SPHR**

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# PHR® and SPHR®

## Human Resources Certification Complete

Review Guide

2018 Exams



James J. Galluzzo III, SPHR

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*To Melissa, Catharine, Kim, and Judy. Thank you for all your love and inspiration.*

# About the Author

**James J. Galluzzo III, SPHR®**, is a strategic human resources professional and leader with nearly 25 years of experience. He is a Senior Professional in Human Resources (SPHR) certified by the HR Certification Institute. He served as an Adjutant General's Corps officer in the United States Army, where he held several HR positions of increasing responsibility during his tenure, finally culminating as chief of leadership development for the 40,000 Army HR professionals around the world before his retirement in 2014.

He was instrumental in establishing the partnership between the HR Certification Institute and the Army to help military HR professionals seeking civilian credentials as they transitioned from service into civilian work. He is a former HR director of South Carolina's State Housing Finance and Development Authority and is currently the corporate HR director for John Harris Body Shops, an automotive collision repair company in South Carolina and Georgia.

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# Introduction

Congratulations on your choice to prepare and sit for the Professional in Human Resources (PHR®) or Senior Professional in Human Resources (SPHR®) exam. These accredited exams are the gold standard of HR credentialing and represent decades of professional rigor and stringent practice analysis study conducted by the HR Certification Institute (HRCI®). HR professionals who are working to earn these most recognized HR credentials will see changes in the areas of responsibility and knowledge that are the results of a 2017 detailed study of the current state of HR practice in the United States.

This book is meant for anyone seeking either the PHR® or SPHR® certification with the new exams based on the changes to the exam content outlines effective August 1, 2018. It is also an ideal review for any HR practitioner who wants to increase their knowledge and professional depth of HR practices. If you are preparing for other HRCI® exams in the PHR/SPHR family, this book may also be useful to review for additional context across the HR field of study for those exams.

This review guide has been designed to work along with the *PHR and SPHR Human Resources Complete Certification Exam Study Guide*, also from Sybex. The study guide provides more depth and review of the functional areas covered by the exam content outlines and more real-world examples. This review guide helps solidify the required experience-based knowledge to help you successfully prepare and pass the PHR® or SPHR® exam.

## Book Structure

This book has been laid out in a comprehensive and systematic way that follows the exam content outlines for the PHR® and SPHR® exams. The individual chapters cover distinct functional areas of human resources. The book has two parts. The first part consists of Chapters 1–5 and is designed to prepare individuals who want to sit for the Professional in Human Resources (PHR®) certification exam. The second part consists of Chapters 6–10 and is designed to prepare individuals who want to sit for the Senior Professional in Human Resources (SPHR®) certification exam. It is not necessary to review the entire book, as each part covers the necessary exam content outline for that particular exam.

### Part One: PHR®

- Business Management
- Talent Planning and Acquisition
- Learning and Development
- Total Rewards
- Employee and Labor Relations

## Part Two: SPHR®

- Leadership and Strategy
- Talent Planning and Acquisition
- Learning and Development
- Total Rewards
- Employee Relations and Engagement

While the exam content outlines list the responsibilities before the required knowledge, this review guide covers the knowledge first. The reasoning is that an HR practitioner cannot assume responsibilities and take proper action without first understanding the key knowledge for a particular area. Also, this book does not cover each responsibility or knowledge point in order in the chapter text but elects to group key concepts together as they would likely be handled by function in a professional HR setting. I have kept the numbering convention the same at the beginning of each chapter; so the responsibilities start at “1” for each new functional area, but the required knowledge continues from the previous chapter for both parts. I believe this structure will make it easy for you to learn the information in the shortest time with the highest possible retention.

# How to Use This Book

Several learning tools are included in the book. These tools will help you retain vital exam content as well as prepare to sit for the actual exams.

**Objective Map and Opening List of Objectives** At the beginning of the book you’ll find a detailed exam objective map showing you where each of the exam objectives is covered. In addition, each chapter opens with a list of the exam objectives it covers. Use these resources to see exactly where each of the exam topics is covered.

**Exam Essentials** Each chapter includes a number of exam essentials. These are the key points that you should take from the chapter, identifying topics on which you should focus when preparing for the exam.

**Chapter Review Questions** To test your knowledge as you progress through the book, there are review questions at the end of each chapter. As you finish each chapter, answer the review questions and then check your answers—the correct answers appear in the appendix, “Answers to Review Questions.” You can go back to reread the section that deals with any question you got wrong to ensure that you answer correctly the next time you’re tested on the material.

# Interactive Online Learning Environment and Test Bank

The interactive online learning environment that accompanies *PHR® and SPHR® Human Resources Certification Complete Review Guide: 2018 Exams* provides a test bank with study tools to help you prepare for the certification exam—and increase your chances of passing it the first time! The test bank includes the following:

**Sample Tests** All the questions in this book are provided, including the chapter tests that include the review questions at the end of each chapter. In addition, there are two practice exams (one each for the PHR® and SPHR®) that have a variety of question formats that match the newly structured exams as of the fall of 2018. Use these questions to test your knowledge of the review guide material. The online test bank runs on multiple devices.

**Flashcards** One set of questions is provided in digital flashcard format (a question followed by a single correct answer). You can use the flashcards to reinforce your learning and provide last-minute test prep before the exam.

**Other Study Tools** A glossary of key terms from this book and their definitions is available as a fully searchable PDF.



Go to [www.wiley.com/go/sybextestprep](http://www.wiley.com/go/sybextestprep) to register and gain access to this interactive online learning environment and test bank with study tools.

## Overview of the HRCI® Credentials

HRCI® has several credentials in the HR field that serve HR professionals in the United States and international settings. They range from entry-level credentials for people transitioning to or beginning a career in HR to credentials for senior HR professionals responsible for strategic HR decisions and functions within an organization.

For more than 40 years, HRCI® has used rigorous standards and evaluations of current HR practices, along with experts from the field, to develop and validate an HR body of knowledge that is wide ranging and the gold standard for HR professionals. From this body of knowledge, exam content outlines are created for each certification that serve as the foundation for exam questions for each certification exam. At the time of this publication, HRCI® offers eight credentials. Here's a brief look at each:

**Associate Professional in Human Resources (aPHR)™** HRCI's Associate Professional in Human Resources™ (aPHR™) is the perfect certification to help you with your career growth and provide you with the confidence to launch into the HR profession. The aPHR is

specifically designed for professionals who are just beginning their HR career journey and proves your knowledge of foundational human resources.

**Eligibility Requirements** To be eligible for the aPHR you must have a high school diploma or global equivalent. No HR experience is required since this is a knowledge-based credential.

**Associate Professional in Human Resources—International (aPHRi)<sup>TM</sup>** If you are new to HR and want to distinguish yourself in the field, the Associate Professional in Human Resources—International<sup>TM</sup> (aPHRi<sup>TM</sup>) helps propel your career growth and provide you with the confidence to launch into the HR profession. *HR professionals in the United States are not eligible for this exam.*

**Eligibility Requirements** To be eligible for the aPHRi, you must have a high school diploma or global equivalent. No HR experience is required since this is a knowledge-based credential.

**Professional in Human Resources (PHR)<sup>®</sup>** This is the flagship HR credential from HRCI<sup>®</sup>. The most widely known certification, PHR demonstrates mastery of the technical and operational aspects of HR management, including U.S. laws and regulations. The PHR is for the HR professional who has experience with program implementation, has a tactical/logistical orientation, is accountable to another HR professional within the organization, and has responsibilities that focus on the HR department rather than the whole organization.

**Eligibility Requirements** To be eligible for the PHR, you must meet one of the following conditions for education and experience:

- At least one year of experience in a professional-level HR position plus a master's degree or higher
- At least two years of experience in a professional-level HR position plus a bachelor's degree
- At least four years of experience in a professional-level HR position plus a high school diploma

**Professional in Human Resources—California (PHRca)<sup>®</sup>** The PHRca demonstrates mastery of the laws, regulations, and HR management practices unique to the state of California. The PHRca is for professionals who either practice in California or are responsible for human resource management in California. You do not have to be located in California to earn a PHRca. Many certification holders add the PHRca to their other HRCI credentials.

**Eligibility Requirements** To be eligible for the PHRca, you must meet one of the following conditions for education and experience:

- At least one year of experience in a professional-level HR position plus a master's degree or higher
- At least two years of experience in a professional-level HR position plus a bachelor's degree
- At least four years of experience in a professional-level HR position plus a high school diploma



**Professional in Human Resources—International (PHRi)®** The PHRi (formerly the Human Resources Business Professional™, or HRBP™), for internationally based practitioners, validates professional-level competency, knowledge, and skills to help to propel your HR career forward. The PHRi demonstrates mastery of generally accepted technical and operational HR principles in a single international setting. *HR professionals in the United States are not eligible for this exam.*

**Eligibility Requirements** To be eligible for the PHRi, you must meet one of the following conditions for education and experience:

- At least one year of experience in a professional-level HR position plus a master's degree or global equivalent
- At least two years of experience in a professional-level HR position plus a bachelor's degree or global equivalent
- At least four years of experience in a professional-level HR position plus a high school diploma or global equivalent

**Senior Professional in Human Resources (SPHR)®** This credential is widely recognized as the industry leader for senior HR professionals. The SPHR demonstrates mastery of the strategic and policy-making aspects of HR management as practiced in the United States. The credential is designed for big-picture thinkers responsible for planning rather than implementing HR policy. SPHR professionals are responsible for HR department goals, for breadth and depth of knowledge in all HR disciplines, and for understanding business issues beyond the HR function.

**Eligibility Requirements** To be eligible for the SPHR, you must meet one of the following conditions for education and experience:

- At least four years of experience in a professional-level HR position plus a master's degree or higher
- At least five years of experience in a professional-level HR position plus a bachelor's degree
- At least seven years of experience in a professional-level HR position plus a high school diploma

**Senior Professional in Human Resources—International (SPHRi)®** The SPHRi (formerly the Human Resources Management Professional™, or HRMP™), for internationally based HR leaders, validates senior-level HR competency and mastery of generally accepted HR principles in strategy, policy development, and service delivery in a single international setting. The SPHRi requires documented knowledge of local employment laws. *HR professionals in the United States are not eligible for this exam.*

**Eligibility Requirements** To be eligible for the SPHRi, you must meet one of the following conditions for education and experience\*:

- At least four years of experience in a professional-level HR position plus a master's degree or global equivalent

- At least five years of experience in a professional-level HR position plus a bachelor's degree or global equivalent
- At least seven years of experience in a professional-level HR position plus a high school diploma or global equivalent

**Global Professional in Human Resources (GPHR)<sup>®</sup>** The GPHR demonstrates your expertise of multinational HR responsibilities, including strategies of globalization development of HR policies and initiatives that support organizational global growth. It shows you have the knowledge and skills needed to manage HR challenges in a global marketplace.

**Eligibility Requirements** To be eligible for the GPHR, you must meet one of the following conditions for education and experience:

- Have at least two years of experience\* in a global professional-level HR position *and* a master's degree or higher
- Have at least three years of experience\* in a professional-level HR position (at least two in global HR) *and* a bachelor's degree
- Have at least four years of experience\* in a professional-level HR position (at least two in global HR) *and* a high school diploma

*\*Note: Global HR experience is defined as having direct, cross-border HR responsibilities for two or more countries or regions.*

For more information on credentials offered by the HR Certification Institute, visit <https://www.hrci.org/our-programs/our-certifications>.

## Day of the Exam

After you gain the necessary prerequisites to sit for the exam, the PHR<sup>®</sup> or SPHR<sup>®</sup> exam serves as the final measure to earning your certification. You are already well ahead of the game in preparing for the exam when you purchase this book. Your commitment to the preparation will help you arrive with confidence on the day of the exam. Throughout the course of this book, you will find sections that offer tips on what to do on the day of the exam. While you are not allowed to take any materials or exam aids into the testing area, you are given scratch paper to work with during your exam. One important point to realize is that employment laws change constantly. Candidates are responsible for knowing the HR laws and regulations that are in effect at the time of their exam. Therefore, it may be helpful to jot some notes about any recent changes of major laws related to HR.

Additionally, be sure to follow all the basic-test taking advice, such as getting a good night's sleep, eating a good breakfast, and going through breathing and focus exercises before the exam. Please consider the following items during the exam as well:

- Take the time to read through each question slowly and completely. Fully understanding what is being asked in the question can contribute greatly to getting the right answer.

- Don't get stuck on any one question; you can mark an answer you are unsure of to return to later. However, remember not to leave it blank, just in case you run out of time and are unable to return to the answer.
- Try not to overthink the question with personal experience. Some companies have different practices, and some may be, unknowingly, not following best practices. A question about how your company in particular does business may require a different answer than the generic correct rule or procedure.

For more information from HRCI® on preparing for the exam, be sure you check out <https://www.hrci.org/how-to-get-certified/taking-the-exam> for more valuable resources.

## Objective Map

Use the following summary of the PHR® and SPHR® Exam Content Outlines to find where each functional area and each specific topic is covered so you can focus on the areas you most need to review.

### PHR® Exam Content Outline

The PHR® exam is created using the PHR® Exam Content Outline. Created by HR subject-matter experts in the field, it is a comprehensive outline of responsibilities of and knowledge needed by today's HR professional. The outline is grouped into five functional areas. The following are the official PHR® exam objectives, as specified by HRCI®.

#### Business Management

The following responsibilities and knowledge make up the Business Management functional area and are covered in Chapter 1 of this book:

##### Responsibilities:

- Interpret and apply information related to general business environment and industry best practices.
- Reinforce the organization's core values, ethical and behavioral expectations through modeling, communication, and coaching.
- Understand the role of cross-functional stakeholders in the organization and establish relationships to influence decision making.
- Recommend and implement best practices to mitigate risk (for example: lawsuits, internal/external threats).
- Determine the significance of data for recommending organizational strategies (for example: attrition rates, diversity in hiring, time to hire, time to fill, ROI, success of training).

**Knowledge of:**

- Vision, mission, values, and structure of the organization
- Legislative and regulatory knowledge and procedures
- Corporate governance procedures and compliance
- Employee communications
- Ethical and professional standards
- Business elements of an organization (for example: other functions and departments, products, competition, customers, technology, demographics, culture, processes, safety and security)
- Existing HRIS, reporting tools, and other systems for effective data reporting and analysis
- Change management theory, methods, and application
- Risk management
- Qualitative and quantitative methods and tools for analytics
- Dealing with situations that are uncertain, unclear, or chaotic

**Talent Planning and Acquisition**

The following responsibilities and knowledge make up the Talent Planning and Acquisition functional area and are covered in Chapter 2 of this book:

**Responsibilities:**

- Understand federal laws and organizational policies to adhere to legal and ethical requirements in hiring (for example: Title VII, nepotism, disparate impact, FLSA, independent contractors).
- Develop and implement sourcing methods and techniques (for example: employee referrals, diversity groups, social media).
- Execute the talent acquisition life cycle (for example: interviews, extending offers, background checks, negotiation).

**Knowledge of:**

- Applicable federal laws and regulations related to talent planning and acquisition activities
- Planning concepts and terms (for example: succession planning, forecasting)
- Current market situation and talent pool availability
- Staffing alternatives (for example: outsourcing, temporary employment)
- Interviewing and selection techniques, concepts, and terms
- Applicant tracking systems and/or methods

- Impact of total rewards on recruitment and retention
- Candidate/employee testing processes and procedures
- Verbal and written offers/contract techniques
- New hire employee orientation processes and procedures
- Internal workforce assessments (for example: skills testing, workforce demographics, analysis)
- Transition techniques for corporate restructuring, mergers and acquisitions, due diligence processes, offshoring, and divestitures
- Metrics to assess past and future staffing effectiveness (for example: cost per hire, selection ratios, adverse impact)

## **Learning and Development**

The following responsibilities and knowledge make up the Learning and Development functional area and are covered in Chapter 3 of this book:

### **Responsibilities:**

- Provide consultation to managers and employees on professional growth and development opportunities.
- Implement and evaluate career development and training programs (for example: career pathing, management training, mentorship).
- Contribute to succession planning discussions with management by providing relevant data.

### **Knowledge of:**

- Applicable federal laws and regulations related to learning and development activities
- Learning and development theories and applications
- Training program facilitation, techniques, and delivery
- Adult learning processes
- Instructional design principles and processes (for example: needs analysis, process flow mapping)
- Techniques to assess training program effectiveness, including use of applicable metrics
- Organizational development (OD) methods, motivation methods, and problem-solving techniques
- Task/process analysis
- Coaching and mentoring techniques
- Employee retention concepts and applications
- Techniques to encourage creativity and innovation

## Total Rewards

The following responsibilities and knowledge make up the Total Rewards functional area and are covered in Chapter 4 of this book:

### Responsibilities:

- Manage compensation-related information and support payroll issue resolution.
- Implement and promote awareness of noncash rewards (for example: paid volunteer time, tuition assistance, workplace amenities, and employee recognition programs).
- Implement benefit programs (for example: health plan, retirement plan, employee assistance plan, other insurance).
- Administer federally compliant compensation and benefit programs.

### Knowledge of:

- Applicable federal laws and regulations related to total rewards
- Compensation policies, processes, and analysis
- Budgeting, payroll, and accounting practices related to compensation and benefits
- Job analysis and evaluation concepts and methods
- Job pricing and pay structures
- Noncash compensation
- Methods to align and benchmark compensation and benefits
- Benefits programs policies, processes, and analysis

## Employee and Labor Relations

The following responsibilities and knowledge make up the Employee and Labor Relations functional area and are covered in Chapter 5 of this book:

### Responsibilities:

- Analyze functional effectiveness at each stage of the employee life cycle (for example: hiring, onboarding, development, retention, exit process, alumni program) and identify alternate approaches as needed.
- Collect, analyze, summarize, and communicate employee engagement data.
- Understand organizational culture, theories, and practices; identify opportunities and make recommendations.
- Understand and apply knowledge of programs, federal laws, and regulations to promote outreach, diversity, and inclusion (for example: affirmative action, employee resource groups, community outreach, corporate responsibility).
- Implement and support workplace programs relative to health, safety, security, and privacy following federal laws and regulations (for example: OSHA, workers' compensation, emergency response, workplace violence, substance abuse, legal postings).

- Promote organizational policies and procedures (for example: employee handbook, SOPs, time and attendance, expenses).
- Manage complaints or concerns involving employment practices, behavior, or working conditions, and escalate by providing information to appropriate stakeholders.
- Promote techniques and tools for facilitating positive employee and labor relations with knowledge of applicable federal laws affecting union and nonunion workplaces (for example: dispute/conflict resolution, anti-discrimination policies, sexual harassment).
- Support and consult with management in performance management process (for example: employee reviews, promotions, recognition programs).
- Support performance activities (for example: coaching, performance improvement plans, involuntary separations) and employment activities (for example: job eliminations, reductions in force) by managing corresponding legal risks.

#### Knowledge of:

- General employee relations activities and analysis (for example, conducting investigations, researching grievances, working conditions, reports, etc.)
- Applicable federal laws and procedures affecting employment, labor relations, safety, and security
- Human relations, culture and values concepts, and applications to employees and organizations
- Review and analysis process for assessing employee attitudes, opinions, and satisfaction
- Diversity and inclusion
- Recordkeeping requirements
- Occupational injury and illness prevention techniques
- Workplace safety and security risks
- Emergency response, business continuity, and disaster recovery process
- Internal investigation, monitoring, and surveillance techniques
- Data security and privacy
- The collective bargaining process, terms, and concepts (for example: contract negotiation, costing, administration)
- Performance management process, procedures, and analysis
- Termination approaches, concepts, and terms

## **SPHR® Exam Content Outline**

The SPHR® exam is created using the SPHR® Exam Content Outline. Created by HR subject-matter experts in the field, it is a comprehensive outline of responsibilities of and knowledge needed by today's Senior HR professional. Like the PHR®, the SPHR® outline is

grouped into five functional areas. Three of the functional areas have the same heading but slightly different focus on the exam content outline. The following are the official SPHR® exam objectives, as specified by HRCI®.

## **Leadership and Strategy**

The following responsibilities and knowledge make up the Leadership and Strategy functional area and are covered in Chapter 6 of this book:

### **Responsibilities:**

- Develop and execute HR plans that are aligned to the organization's strategic plan (for example: HR strategic plans, budgets, business plans, service delivery plans, HRIS, technology).
- Evaluate the applicability of federal laws and regulations to organizational strategy (for example: policies, programs, practices, business expansion/reduction).
- Analyze and assess organizational practices that impact operations and people management to decide on the best available risk management strategy (for example: avoidance, mitigation, acceptance).
- Interpret and use business metrics to assess and drive achievement of strategic goals and objectives (for example: key performance indicators, financial statements, budgets).
- Design and evaluate HR data indicators to inform strategic actions within the organization (for example: turnover rates, cost per hire, retention rates).
- Evaluate credibility and relevance of external information to make decisions and recommendations (for example: salary data, management trends, published surveys and studies, legal/regulatory analysis).
- Contribute to the development of the organizational strategy and planning (for example: vision, mission, values, ethical conduct).
- Develop and manage workplace practices that are aligned with the organization's statements of vision, values, and ethics to shape and reinforce organizational culture.
- Design and manage effective change strategies to align organizational performance with the organization's strategic goals.
- Establish and manage effective relationships with key stakeholders to influence organizational behavior and outcomes.

### **Knowledge of:**

- Vision, mission, and values of an organization and applicable legal and regulatory requirements
- Strategic planning process
- Management functions, including planning, organizing, directing, and controlling
- Corporate governance procedures and compliance



- Business elements of an organization (for example: products, competition, customers, technology, demographics, culture, processes, safety and security)
- Third-party or vendor selection, contract negotiation, and management, including development of requests for proposals (RFPs)
- Project management (for example: goals, timetables, deliverables, and procedures)
- Technology to support HR activities
- Budgeting, accounting, and financial concepts (for example: evaluating financial statements, budgets, accounting terms, and cost management)
- Techniques and methods for organizational design (for example: outsourcing, shared services, organizational structures)
- Methods of gathering data for strategic planning purposes (for example: Strengths, Weaknesses, Opportunities, and Threats [SWOT], and Political, Economic, Social, and Technological [PEST])
- Qualitative and quantitative methods and tools used for analysis, interpretation, and decision-making purposes
- Change management processes and techniques
- Techniques for forecasting, planning, and predicting the impact of HR activities and programs across functional areas
- Risk management
- How to deal with situations that are uncertain, unclear, or chaotic

## **Talent Planning and Acquisition**

The following responsibilities and knowledge make up the Talent Planning and Acquisition functional area and are covered in Chapter 7 of this book:

### **Responsibilities:**

- Evaluate and forecast organizational needs throughout the business cycle to create or develop workforce plans (for example: corporate restructuring, workforce expansion, or reduction).
- Develop, monitor, and assess recruitment strategies to attract desired talent (for example: labor market analysis, compensation strategies, selection process, onboarding, sourcing and branding strategy).
- Develop and evaluate strategies for engaging new employees and managing cultural integrations (for example: new employee acculturation, downsizing, restructuring, mergers and acquisitions, divestitures, global expansion).

### **Knowledge of:**

- Planning techniques (for example: succession planning, forecasting)
- Talent management practices and techniques (for example: selecting and assessing employees)

- Recruitment sources and strategies
- Staffing alternatives (for example: outsourcing, temporary employment)
- Interviewing and selection techniques and strategies
- Impact of total rewards on recruitment and retention
- Termination approaches and strategies
- Employee engagement strategies
- Employer marketing and branding techniques
- Negotiation skills and techniques
- Due diligence processes (for example: mergers and acquisitions, divestitures)
- Transition techniques for corporate restructuring, mergers and acquisitions, offshoring, and divestitures
- Methods to assess past and future staffing effectiveness (for example: cost per hire, selection ratios, adverse impact)

## **Learning and Development**

The following responsibilities and knowledge make up the Learning and Development functional area and are covered in Chapter 8 of this book:

### **Responsibilities:**

- Develop and evaluate training strategies (for example: modes of delivery, timing, content) to increase individual and organizational effectiveness.
- Analyze business needs to develop a succession plan for key roles (for example: identify talent, outline career progression, coaching and development) to promote business continuity.
- Develop and evaluate employee retention strategies and practices (for example: assessing talent, developing career paths, managing job movement within the organization).

### **Knowledge of:**

- Training program design and development
- Adult learning processes
- Training and facilitation techniques
- Instructional design principles and processes (for example: needs analysis, content chunking, process flow mapping)
- Techniques to assess training program effectiveness, including use of applicable metrics
- Career and leadership development theories and applications
- Organizational development (OD) methods, motivation methods, and problem-solving techniques

- Coaching and mentoring techniques
- Effective communication skills and strategies (for example: presentation, collaboration, sensitivity)
- Employee retention strategies
- Techniques to encourage creativity and innovation

## **Total Rewards**

The following responsibilities and knowledge make up the Total Rewards functional area and are covered in Chapter 9 of this book:

### **Responsibilities:**

- Analyze and evaluate compensation strategies (for example: philosophy, classification, direct, indirect, incentives, bonuses, equity, executive compensation) that attract, reward, and retain talent.
- Analyze and evaluate benefit strategies (for example: health, welfare, retirement, recognition programs, work-life balance, wellness) that attract, reward, and retain talent.

### **Knowledge of:**

- Compensation strategies and philosophy
- Job analysis and evaluation methods
- Job pricing and pay structures
- External labor markets and economic factors
- Executive compensation methods
- Noncash compensation methods
- Benefits program strategies
- Fiduciary responsibilities
- Motivation concepts and applications
- Benchmarking techniques

## **Employee Relations and Engagement**

The following responsibilities and knowledge make up the Employee Relations and Engagement functional area and are covered in Chapter 10 of this book:

### **Responsibilities:**

- Design and evaluate strategies for employee satisfaction (for example: recognition, career path) and performance management (for example: performance evaluation, corrective action, coaching).
- Analyze and evaluate strategies to promote diversity and inclusion.

- Evaluate employee safety and security strategies (for example: emergency response plan, building access, data security/privacy).
- Develop and evaluate labor strategies (for example: collective bargaining, grievance program, concerted activity, staying union free, strategically aligning with labor).

**Knowledge of:**

- Strategies to facilitate positive employee relations
- Methods for assessing employee attitudes, opinions, and satisfaction
- Performance management strategies
- Human relations concepts and applications
- Ethical and professional standards
- Diversity and inclusion concepts and applications
- Occupational injury and illness prevention techniques
- Workplace safety and security risks and strategies
- Emergency response, business continuity, and disaster recovery strategies
- Internal investigation, monitoring, and surveillance techniques

## What This Part Covers

The first five chapters of this book are dedicated to the PHR® exam and cover all the topics and information needed to successfully sit for the exam. These chapters stand alone as the only content portion of the book needed. The second half of the book is not required reading if you intend to take the PHR® exam only. If you are undecided as to which exam you should take, you can compare the chapter outlines for the content differences. You will notice that certain material may overlap, but the level of focus is different, varying from the tactical day-to-day HR functions to the higher-level strategic HR practices.



