

**Test Bank for Fundamentals of Human Resource Management
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Chapter 01: Managing Human Resources

True / False Questions

1. Managers and economists traditionally have seen human resource management as a source of value to their organizations.

True False

2. The concept of "human resource management" implies that employees in an organization cannot be considered as a resource and hence are interchangeable.

True False

3. Human resources cannot be imitated.

True False

4. High-performance work systems have been essential in making organizations strong enough to weather the storm of a recession and remain profitable when the economy begins to expand after the recession.

True False

5. No two human resource departments have precisely the same roles and responsibilities.

True False

6. Greater concern for innovation and quality has shifted the job trend to using more broadly defined jobs.

True False

7. An organization makes selection decisions in order to add employees to its workforce, as well as to transfer existing employees to new positions.

True False

8. Establishing and administering personnel policies allows a company to handle problematic situations more fairly and objectively than if it addressed such incidents on a case-by-case basis.

True False

9. When a person evaluating performance is not familiar with the details of a job, outcomes tend to be easier to evaluate than specific behaviors.

True False

10. Human resource management requires the ability to communicate through a variety of channels.

True False

11. Greater use of electronic databases has increased concerns about how employers protect employees' privacy.

True False

12. Human resource management is increasingly becoming a purely administrative function.

True False

13. Evidence-based HR refers to the practice of initiating disciplinary action against employees only in the presence of clear and demonstrable proof of undesirable behavior.

True False

14. In organizations with sustainable strategies, the HR departments focus on employee development and empowerment rather than short-term costs.

True False

15. HR competencies are the sets of knowledge and skills associated with successful human resource management.

True False

16. The clusters of competencies needed by human resource professionals include technical, interpersonal, business, and leadership competencies.

True False

17. HR activities are exclusively carried out by an HR specialist in small organizations.

True False

18. The supervisors in an organization play a key role in employee relations because they are most often the voice of management for the employees.

True False

19. The right of free consent states that employers can conceal the nature of a job while hiring an employee for a particular position.

True False

20. Kira feels that being denied a promotion has more to do with being a woman than with her overall performance. However, her supervisors and the HR department are refusing to hear her case. This suggests that Kira has been denied her right to due process.

True False

21. In companies that are ethical and successful, senior executives are the only stakeholders who are responsible for the actions of the company.

True False

22. For human resource practices to be considered ethical, they must result in the greatest good for the largest number of people.

True False

23. The role of an HR generalist is essentially limited to recruitment and selection.

True False

24. The vast majority of HRM professionals have a college degree.

True False

25. The Society for Human Resource Management is the primary professional organization for HRM and the world's largest human resource management association.

True False

Multiple Choice Questions

26. The concept of "human resource management" implies that employees are
- A. a secondary component of a business.
 - B. troublesome and need to be monitored.
 - C. resources of the employer.
 - D. an unnecessary cost to an employer.
 - E. a rare component of the business world.
27. In the context of human resource management, human capital refers to the
- A. wages, benefits, and other costs incurred in support of HR functions in an organization.
 - B. cash, equipment, technology, and facilities that an organization uses.
 - C. tax-deferred value of an employee's 401(k) plan.
 - D. organization's employees, which add economic value to the company.
 - E. total budget allocated to the HR department in an organization.
28. Which of the following describes the employees of an organization in terms of their training, experience, judgment, intelligence, relationships, and insight?
- A. performance management
 - B. human capital
 - C. tangible capital
 - D. traditional management
 - E. working capital

29. Daniel, the director of operations, strongly believes that human resource management (HRM) is critical to the success of organizations. Melissa, the CFO of the organization, opposes Daniel's view because she thinks HRM is an unnecessary expense for the company. Which of the following statements weakens Melissa's belief?
- A. HRM is highly substitutable and interchangeable.
 - B. HRM is easily available for all companies to utilize.
 - C. HRM helps an organization imitate human resources at a high-performing competitor.
 - D. HRM ensures that persons with high levels of the needed skills and knowledge are easily found.
 - E. HRM is indispensable for building a competitive advantage.
30. How do human resources professionals provide an organization with a sustainable competitive advantage?
- A. They manage commonly available resources.
 - B. They help the organization do what competitors are doing.
 - C. They keep the organization focused on the short term.
 - D. They hire high-quality employees who provide a needed service as they perform many critical functions.
 - E. They hire employees who are very enthusiastic despite lacking job experience and training.
31. In the context of today's organizations, which of the following statements is true of employees?
- A. Employees are not easily the replaced parts of a system; they are the source of a company's success or failure.
 - B. Employees have good substitutes when the substitutes are well trained and highly motivated.
 - C. Employees with high levels of the required skills and knowledge can be easily imitated.
 - D. Employees within an organization seldom perform critical functions.
 - E. Employees do not have the right to refuse to do what violates their moral beliefs.

32. Identify the correct statement regarding human resources.
- A. Human resources can be imitated.
 - B. Human resources are commonly found.
 - C. Human resources have no good substitutes.
 - D. Human resources seldom perform critical functions.
 - E. Human resources are interchangeable, easily replaced parts of a system.
33. Montero Inc., an automobile manufacturing company, had the largest number of employees in the manufacturing sector last year. Instead of hiring more employees, the company decided to invest heavily in training its employees on automotive maintenance and design. Which of the following beliefs has most likely led the company to take this decision?
- A. The employees in the company are interchangeable.
 - B. The employees are the source of the company's success or failure.
 - C. The union employees in the company will resign once their contract expires.
 - D. A majority of the employees own shares in the company.
 - E. A majority of the employees in the company have an automotive engineering background.
34. Joshua, the human resource manager at Potter Inc., has a clear understanding of the firm's business. This enables him to comprehend the various needs of the business and help the company meet its goals for attracting, keeping, and developing employees with the required skills. This scenario indicates Joshua's responsibility of
- A. providing administrative services.
 - B. preparing a job analysis.
 - C. providing business partner services.
 - D. creating a job design.
 - E. maintaining positive employee relations.

35. Kathleen is a member of the human resource department at Jade Corp. Setting a goal to enhance the firm's strategy, Kathleen works to attain it by understanding the current human resources. Through a series of surveys, interviews, and observations, she learns what talents the various departments of Jade Corp. are currently in need of, and attracts new human resources according to those requirements. What kind of HRM responsibility does this example illustrate?
- A. HRM's responsibility to handle administrative tasks
 - B. HRM's responsibility to serve as a strategic partner
 - C. HRM's responsibility to carry out transactions
 - D. HRM's responsibility to develop effective systems
 - E. HRM's responsibility to answer questions
36. How can an HR department that is considered its company's strategic partner help the company gain a competitive advantage?
- A. by handling administrative tasks with a commitment to quality
 - B. by providing business partner services to meet the company's goals
 - C. by providing skills training and career development programs
 - D. by understanding the existing human resources and providing new ones
 - E. by answering questions on employee hiring and benefits
37. Olivia works in the human resource department at Hercules Corp. Her chief responsibilities include administering salaries, determining incentives, managing group insurance, and employee vacation and leave. Which human resource management function is being performed by Olivia?
- A. performance management
 - B. employee relations
 - C. selection
 - D. training and development
 - E. compensation and benefits

38. Which of the following is a responsibility that is specifically associated with the HR function of employee relations?
- A. conducting attitude surveys
 - B. analyzing work
 - C. creating HR information systems
 - D. planning and forecasting human resources
 - E. creating a job design
39. Which of the following responsibilities is specifically associated with the HR function of support for strategy?
- A. temporary labor recruitment and record keeping
 - B. human resource planning and forecasting
 - C. wage and salary administration
 - D. development of employee handbooks and company publications
 - E. development of an HR information system
40. In a recent trend, some companies are doing away with their human resource departments altogether because they
- A. prefer to have vertical organizational structures.
 - B. want to establish a centralized decision-making system.
 - C. need more narrowly-defined jobs due to greater concern for innovation and quality.
 - D. do not need HR for recruitment as they rely heavily on promotions from within and applicants referred by current employees.
 - E. want to encourage department managers and other employees to handle HR issues as they arise.

41. Which of the following refers to the process of getting detailed information about jobs?

- A. job rotation
- B. supply chain management
- C. job analysis
- D. policy creation
- E. job orientation

42. Which of the following best describes job design?

- A. It is the process of defining the way work will be performed and the tasks that a given job requires.
- B. It is the process of generating a pool of potential candidates for a job.
- C. It is the process of identifying suitable candidates for jobs.
- D. It is the technique of enabling employees to learn job-related knowledge, skills, and behavior.
- E. It is the technique of presenting candidates with detailed information about a job.

43. At Tech Scale Inc., a company that deals in software products, employees often complain about the lack of clarity regarding the tasks they are required to perform. Often there are two employees working on overlapping tasks, while some tasks are not designated to any employee. Though employees are satisfied with the pay and work culture, this aspect of their work environment has led to a lot of conflict in the workplace. From the information provided, this complaint of the employees can be closely linked to which of the following HR functions?

- A. compliance with laws
- B. analysis and design of work
- C. compensation and benefits
- D. maintenance of employee relations
- E. recruitment and selection

44. Which of the following is responsible for the shift in the job trend, from the use of narrowly defined jobs to the use of broadly defined jobs in organizations?

- A. emphasis on innovation and quality
- B. increased demand for low skilled workers
- C. increased focus on simplifying jobs
- D. lack of competition
- E. reduced use of team-based projects

45. Identify the process through which an organization seeks applicants for potential employment.

- A. orientation
- B. training
- C. recruitment
- D. work analysis
- E. job design

46. The process by which an organization attempts to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the organization achieve its goals is referred to as

- A. orientation.
- B. selection.
- C. compensation.
- D. work analysis.
- E. performance management.

47. Edgar works at Alpha Inc. He is responsible for identifying individuals with skills required for the various roles in the organization. Which of the following human resource management practices is being performed by Edgar?

- A. performance management
- B. employee relations
- C. selection
- D. training
- E. compensation

48. Which of the following describes a planned effort to enable employees to learn job-related knowledge, skills, and behavior?

- A. selection
- B. performance appraisal
- C. training
- D. compensation
- E. recruitment

49. Which HR function involves offering programs through which employees acquire knowledge, skills, and behavior that improve their ability to meet the challenges of a variety of new or existing jobs, including the client and customer demands of those jobs?

- A. recruitment
- B. personnel policy
- C. development
- D. employee relations
- E. selection

50. If a company, as part of its job redesign program, plans to set up teams to manufacture products, which of the following programs might it offer to help employees learn the ins and outs of effective teamwork?

- A. development programs
- B. recruitment programs
- C. orientation programs
- D. selection programs
- E. performance management programs

51. In the context of HRM functions, the activities of training and development include

- A. making decisions whether an organization will emphasize enabling employees to perform their current jobs, preparing them for future jobs, or both.
- B. keeping track of how well employees are performing relative to objectives such as job descriptions and goals for a particular position.
- C. attempting to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the organization achieve its goals.
- D. preparing and distributing employee handbooks that detail company policies and, in large organizations, company publications such as a monthly newsletter or a website on the organization's intranet.
- E. establishing policies related to hiring, discipline, promotions, and benefits.

52. Which of the following is defined as the process of ensuring employees' activities and outputs match an organization's goals?

- A. job analysis
- B. supply chain management
- C. employee development
- D. performance management
- E. career planning

53. The employees at Circa Financial often complain that they are not provided feedback about their work. They feel that they do not get proper information as to how they have performed and the areas in which they need to improve. They also claim that the performance goals are vague and not measurable. Which of the following HR functions does Circa Financial need to specifically improve upon to resolve the complaints put forth by its employees?

- A. recruitment
- B. employee selection
- C. training and development
- D. performance management
- E. planning and administering pay and benefits

54. Julie works at Matrix Inc. Her primary role in the company is to create self-rating, job-related questionnaires for the employees. Which of the following human resource management practices is being performed by Julie?

- A. performance management
- B. employee relations
- C. selection
- D. training
- E. compensation

55. In the context of HRM functions, the activities of performance management include
- A. identifying applicants with the necessary knowledge and abilities that will help an organization achieve its goals.
 - B. making a planned effort to enable employees to learn job-related knowledge, skills, and behavior.
 - C. specifying the tasks and outcomes of a job that contribute to an organization's success.
 - D. acquiring knowledge and skills that improve employees' ability to meet the challenges of a variety of new or existing jobs.
 - E. seeking applicants for potential employment.
56. Jonathan is a part of the HR department in an advertising firm that has recently brought in employees specializing in analysis of large volumes of data about consumer behavior. The manager to whom these analysts report does not share their knowledge of quantitative methods, but wants them to develop recommendations for better decision making. Jonathan is supporting the department by developing a form the manager will follow in measuring the analysts' performance. What kinds of performance measures should Jonathan focus on?
- A. The form should measure outcomes, such as timely and useful recommendations, because the manager will not be able to evaluate specific technical behaviors.
 - B. The form should measure specific technical behaviors, because the methods used by the analysts will determine the usefulness of their recommendations.
 - C. The form should measure both outcomes and behaviors, because both are essential to success in the job.
 - D. The form should measure personal traits, such as getting along with others, because Jonathan and the manager don't understand the technical requirements.
 - E. The form should ask broad questions, so the manager can discuss whatever they think is important.

57. In an attempt to motivate its current employees and to attract skilled professionals, Labyrinth Inc. decides to increase salaries as well as year-end bonuses for its best performers. Which of the following HR functions is demonstrated in this scenario?

- A. performance management
- B. training and development
- C. recruitment
- D. planning and administering pay and benefits
- E. maintaining positive employee relations

58. Which of the following HR functions includes preparing and distributing employee handbooks that detail company policies?

- A. recruitment and selection
- B. maintaining positive employee relations
- C. ensuring compliance with labor laws
- D. performance management
- E. planning and administering pay and benefits

59. Nicole, an employee at Neo Corp., develops and distributes newsletters that announce upcoming events in the company. Which of the following human resource management practices is being performed by Nicole?

- A. performance management
- B. employee relations
- C. selection
- D. training
- E. compensation

60. Some of the employees of RVZ Services are unhappy with their supervisor's comments and remarks. They feel they are being unduly discriminated against by the supervisor, and so they turn to the HR department for help. Addressing such problems is a part of the HR function of

- A. recruitment and selection.
- B. employee relations.
- C. training and development of employees.
- D. performance management.
- E. planning and administration of pay and benefits.

61. The HR function of maintaining positive employee relations includes

- A. maintaining performance measures on outcomes.
- B. offering training programs on effective teamwork.
- C. selecting only those applicants that are referred by employees.
- D. maintaining communication with union representatives.
- E. planning employee pay and benefits.

62. What is the advantage of establishing and administering policies in organizations?

- A. It allows companies to handle situations more fairly and objectively.
- B. It allows companies to address issues on a case-by-case basis.
- C. It eliminates the need for documentation and record keeping.
- D. It encourages employees to defend themselves by claiming ignorance of disciplinary norms.
- E. It leaves a lot of room for subjective decision-making.

63. _____ refers to the use of quantitative tools and scientific methods to analyze data from human resource databases and other sources to make evidence-based decisions that support business goals.

- A. Conjoint analysis
- B. Performance management
- C. Workforce analytics
- D. Career development
- E. Task analysis

64. Fiona, a manager at Norman Corp., is responsible for workforce analytics in the organization. Her supervisor, Martin, argues it is an unnecessary expense as he believes that collecting employee-related information is just an administrative responsibility. Which of the following statements, if true, would weaken Martin's argument?

- A. Fiona established policies regarding violations of company regulations.
- B. Fiona identified subordinates who showed the potential to become leaders in the company based on the data.
- C. Fiona prepared and distributed company publications on the organization's intranet.
- D. Fiona was able to actively recruit candidates from external sources, such as Internet job postings and college recruiting events.
- E. Fiona was able to specify the tasks and outcomes of a job that contributed to the organization's success.

65. Albright Corp. uses a set of quantitative tools to assess employee data such as performance, compensation, designations, and benefits. This is done to arrive at decisions based on accurate findings from analyses that can help the firm achieve its goals. Albright is engaging in the practice of_____.

- A. training and development
- B. job design
- C. employee relations
- D. talent management
- E. workforce analytics

66. When a manufacturer experienced a slowdown in sales, it laid off the two employees with the poorest attendance. One of the employees sued the company, saying it should have laid off the most recently hired workers. What defense would the company most likely offer?

- A. The layoffs were not discriminatory.
- B. The company was forced to make the layoffs.
- C. There are no federal laws that apply to this situation.
- D. The layoffs were instances of employment at will.
- E. The age of the company's workforce has been rising.

67. Costabin Inc., a company in the recycling business, has revamped its management and business criteria. It has also added new objectives that would require recruitment of new and skilled labor. The responsibility of identifying the numbers and the kinds of employees lies with the HR department of the firm. This responsibility of the HR department is known as

- A. supply chain management.
- B. performance management.
- C. human resource planning.
- D. utilization analysis.
- E. performance planning.

68. Which of the following is defined as a systematic, planned effort to attract, retain, develop, and motivate highly skilled employees and managers?

- A. work flow analysis
- B. job analysis
- C. conjoint analysis
- D. talent management
- E. performance management

69. Which of the following best describes evidence-based HR?

- A. It is the exclusive use of statistical models for planning, forecasting, and other related HR activities.
- B. It refers to establishing overlapping performance goals and desired outcomes during performance management.
- C. It refers to demonstrating that human resource practices have a positive influence on a company's profits or key stakeholders.
- D. It is the process of ensuring that employees' activities and outputs match an organization's goals.
- E. It is the organization-wide planned effort to enable employees to learn job-related knowledge, rather than teamwork or communication skills.

70. An organization's ability to profit without depleting its resources, including employees, natural resources, and the support of the surrounding community, is called

- A. adjustability.
- B. absorbability.
- C. substitutability.
- D. sustainability.
- E. credibility.

71. Blandings Corp., an apparel manufacturer, has been profitable for a long time without depleting its resources—raw materials, employees, and the support of the local community. The company also caters to the needs of all its stakeholders. Which of the following characteristics is illustrated in this scenario?

- A. sustainability
- B. strategic architecture
- C. compliance with law
- D. talent management
- E. workforce analytics

72. The parties with an interest in a company's success—typically, shareholders, the community, customers, and employees—constitute which members of the company?

- A. advisors
- B. stakeholders
- C. management
- D. personnel
- E. strategic partners

73. Joanna, a local farmer, buys her equipment exclusively from the manufacturer Wooster. Inc. Because of this, Joanna is affected by Wooster Inc.'s operations. This indicates that Joanna is a _____.

- A. stakeholder
- B. business partner
- C. workforce analyst
- D. talent manager
- E. strategic partner

74. Identify the correct statement regarding sustainable organizations.

- A. They primarily focus on maximizing profits and delivering high returns to investors.
- B. They focus on smooth turnover and outsourcing rather than long-term planning.
- C. They are more concerned about justice and fairness rather than short-term profits.
- D. They are less concerned about employee development and empowerment.
- E. They are more concerned with the quantum of output than quality standards.

75. An HR manager can demonstrate competency in communication by excelling at which of the following behaviors?

- A. setting a vision for the HR function
- B. listening effectively
- C. supporting inclusiveness
- D. maintaining confidentiality
- E. applying knowledge of business principles

76. A human resource professional of a company exhibits the competency of business acumen when he or she

- A. acquires knowledge of other cultures.
- B. responds to reports of unethical conduct.
- C. applies statistical knowledge to understand data.
- D. applies knowledge of how HR functions contribute to business success.
- E. uses HR technology correctly.

77. What clusters of competencies are necessary for success in human resource management?

- A. hiring, compensation, event planning, and training
- B. technical, interpersonal, business, and leadership
- C. technical, hiring, motivation, and compensation
- D. business, development, leadership, and interpersonal
- E. technical, business, training, and hiring

78. According to the SHRM competency model, which of the following competencies is part of the interpersonal cluster?

- A. leadership
- B. human resource expertise
- C. business acumen
- D. critical evaluation
- E. global and cultural effectiveness

79. According to your text, it is not enough for HR professionals to know how to perform tasks specific to human resource management. HR professionals also must be able to work effectively with others, contribute to business success, and

- A. keep up-to-date on technology laws.
- B. Instruct others in the use of HR technology.
- C. lead others ethically.
- D. occasionally gather relevant data.
- E. ensure policies remain unchanged.

80. Heather is a benefits specialist at McCoy Manufacturing. She negotiates contracts for insurance, retirement plans, and other employee benefits in order to get the best possible deal while meeting all legal requirements. She understands the details of each benefit and is able to help employees understand the value of their benefits. This scenario illustrates Heather's competency in the area of

- A. consultation.
- B. human resource expertise.
- C. relationship management.
- D. ethical practice.
- E. business acumen.

81. Ellie is a human resource manager at Harris Corp. She skillfully handles personal interactions with her staff and the other department managers. She is highly admired by others in the organization because she treats others with respect and builds trust. This scenario indicates Ellie has strengths in the HR success competency of

- A. consultation.
- B. relationship management.
- C. leadership and navigation.
- D. global and cultural effectiveness.
- E. critical evaluation.

82. Acme Manufacturing wants to build a new factory and is comparing locations in three states. How could an HR professional use consultation competencies to support this effort?

- A. by handling the personal interactions among the decision makers
- B. by encouraging people to collaborate on a decision
- C. by setting a vision for the HR function
- D. by gathering data about labor supply and demand in the states
- E. by gaining knowledge of business principles

83. Reese, the human resource manager at Axis Inc., has developed an inspiring vision of how the HR function should contribute to employees' well-being and the company's success. She models the values and behaviors supporting that vision, and she gets her staff excited to be part of realizing the vision. This indicates that Reese has competencies in the area of

- A. global and cultural effectiveness.
- B. critical evaluation.
- C. relationship management.
- D. leadership and navigation.
- E. human resource expertise.

84. Nikita heads the human resource team at Strait Corp., a marketing firm with a diverse group of employees in three countries. She has knowledge about the cultures of the employees and applies that knowledge to build cooperation and resolve conflicts. She appreciates that all her employees bring different strengths to the company, and she helps to foster a climate in which all are encouraged to contribute. This scenario illustrates Nikita's competency in the area of

- A. ethical practice.
- B. critical evaluation.
- C. business acumen.
- D. global and cultural effectiveness.
- E. human resource expertise.

85. Charles heads the human resource department at technology development company Schultz Inc. There, he monitors trends of the labor markets in Schultz's industry. Studying the trends, Charles realizes the company is likely going to need more sources of employees skilled in robotics. He gathers information about the best robotics training programs in the regions where the company operates. Then he applies that information to build connections with selected schools, thereby resolving a recruitment problem before it becomes serious. This scenario illustrates Charles's competency in

- A. global and cultural effectiveness.
- B. communication.
- C. critical evaluation.
- D. leadership and navigation.
- E. relationship management.

86. Jacob is the human resource manager at Platinum Corp. He clearly understands the company's strategy. He has a solid understanding of business principles, and he applies these to help the HR department contribute to Platinum's success. This scenario indicates that Jacob has competency in the area of

- A. business acumen.
- B. ethical practice.
- C. communication.
- D. leadership and navigation.
- E. relationship management.

87. Which of the following is the correct statement about the HR responsibilities of supervisors?

- A. Supervisors do not interview job candidates.
- B. In large organizations, all HR activities are carried out by supervisors.
- C. Supervisors do not need to be familiar with the basics of HRM.
- D. Job analysis and job design are techniques that lie outside the purview of supervisors.
- E. Supervisors typically have responsibilities related to all the HR functions.

88. Craig, one of the senior managers at Clayton Inc., insists that company supervisors handle employee relations as part of their jobs. Which of the following statements strengthens Craig's argument?

- A. The supervisors represent the company on a day-to-day basis.
- B. The supervisors have the business experience to take up additional responsibilities.
- C. The supervisors do not hold any stakes in the organization.
- D. The supervisors are not a part of the employees' union.
- E. The supervisors are responsible for any action taken by the employees.

89. Which of the following is TRUE of ethics in human resource management?

- A. evidence shows that HRM practices are invariably ethical
- B. the general public has a positive perception of the ethical conduct of U.S. businesses
- C. HR managers must view employees as having basic rights
- D. most managers have a positive perception of the ethical conduct of U.S. businesses
- E. most people believe that individuals apply values they hold in their personal lives to their professional activities

90. Which of the following views on employment reflects the ethical principles embodied in the U.S. Constitution and Bill of Rights?
- A. HR managers must view employees as having basic rights.
 - B. HR managers have the right to lifetime employment.
 - C. HR managers have the right to hire whoever they deem best suited for a job.
 - D. HR managers must view employees as a necessary expense.
 - E. HR managers must set aside quotas for minorities.
91. According to the philosopher Immanuel Kant, the right of employees to know the nature of the job they are being hired to do and the obligation of a company not to deceive them in this respect is mainly reflective of the basic right of
- A. privacy.
 - B. free consent.
 - C. freedom of speech.
 - D. freedom of conscience.
 - E. first refusal.
92. Jarvis, a manager at Carmile Inc., is rigid with his employees and does not allow them to voice their opinions or criticisms about their superiors. On the other hand, Michelle, another manager at the same firm, encourages her subordinates to communicate with her openly. Which of the following statements uses basic rights to argue in favor of Michelle's practice over that of Jarvis's?
- A. It enables Michelle to keep a tab on the grapevine communication in the company.
 - B. It engages the employees in expressing constructive criticisms and opinions.
 - C. It reduces the possibility of any whistle blowers in the company.
 - D. It enhances the chances of more employees being promoted.
 - E. It curbs the privacy and confidential requirements of an employee.

93. Which of the following scenarios demonstrates a violation of the right of freedom of conscience in a workplace environment?

- A. A supervisor shares the previous employment details of an employee with a colleague.
- B. An interviewer does not specify the details of a job to a prospective employee.
- C. A supervisor coerces an employee to use unsafe practices to keep a project on schedule.
- D. An employee complains about his supervisor during a conference call with a client.
- E. A supervisor does not provide a fair hearing when an employee complains about a colleague.

94. Which of Kant's basic human rights is violated when a supervisor requires an employee to do something that is unsafe or environmentally damaging, in spite of the employee clearly objecting to the order?

- A. right of freedom of speech
- B. right of equal opportunity employment
- C. right to due process
- D. right of freedom of conscience
- E. right of privacy

95. According to your text, the right of privacy is the right to

- A. know the nature of the job a person is being hired for.
- B. autonomy in how a person carries out their work.
- C. control what a person reveals about their private life.
- D. a fair and impartial hearing.
- E. fight against a wrongful discharge.

96. By keeping employees' personal records confidential, an employer respects their right of

- A. autonomy.
- B. freedom of conscience.
- C. equal opportunity.
- D. freedom of speech.
- E. privacy.

97. Patrick, an employee at Jones Inc., was unhappy with the firm's existing project management system. Hence, he communicated this to the top management by expressing his complaints in an e-mail. According to the work of philosopher Immanuel Kant, Patrick applied his right of

- A. freedom of conscience.
- B. first refusal.
- C. freedom of speech.
- D. privacy.
- E. free consent.

98. Kurt, a manager at Marshall Inc., was asked by his supervisor to sign a contract with a new supplier. The contract stated that the industrial waste released by the company would be released into a local river. Kurt was against this idea of polluting the river with the waste, so he refused to sign the contract. In this scenario, Kurt exercised his right of

- A. freedom of conscience.
- B. first refusal.
- C. freedom of speech.
- D. privacy.
- E. free consent.

99. If people believe their rights are being violated, they have the right to a fair and impartial hearing. This reflects the basic human right to

- A. lifetime employment.
- B. privacy.
- C. due process.
- D. free consent.
- E. freedom of conscience.

100. Which of the following describes companies that are ethical and successful?

- A. They are solely concerned about the benefits of the company while making business decisions.
- B. The owners most often assume responsibility for the actions of the company, rather than the employees.
- C. They are less concerned about the interests of the people involved in the business.
- D. Their main aim is to maximize profits in all their transactions.
- E. They have a sense of purpose and vision that the employees value and use in their day-to-day work.

101. Which of the following is a standard that human resource managers must satisfy for HRM practices to be ethical?

- A. Managers must treat employees as family.
- B. Human resource practices must result in the greatest good for the largest number of people.
- C. Employment practices must respect employees' right of lifetime employment.
- D. Managers must always maintain that customers are right.
- E. Employment practices must limit the application of the principle of employment-at-will as it is unfair to employees.

102. Which of the following is one of the four principles that guides how ethical companies act?

- A. short change customers and vendors
- B. perform only in ways that benefit the company
- C. have a sense of purpose or vision that employees value and use
- D. only permit top management to take responsibility for the company
- E. emphasize fairness only if it suits the company

103. When Ulysses Corp., a travel insurance company, decided to introduce new goals for its internal management, there was a rift regarding what should be implemented. Group A emphasized short-term goals that would benefit the company, while Group B believed in introducing policies that would create more mutually-beneficial relationships with client businesses, such as major airlines. Which of the following results would prove Group B's decision to be ideal?

- A. rival businesses going bankrupt due to a slow economy
- B. an increase of quarterly bonuses offered to executives
- C. studies showing a rise in the number of consumers looking to take a vacation
- D. an increase of airline customers purchasing Ulysses' insurance
- E. a steady decline of unhappy employees at Ulysses Corp. due to new healthcare benefits

104. Which of the following statements is true about the HR profession?

- A. A degree in law is the sole requirement for those who wish to choose HRM as a profession.
- B. All HRM professionals have a postgraduate degree.
- C. Professional certification in HRM continues to be the only way to get into the field.
- D. Usually, HR generalists get paid substantially more than HR training directors.
- E. HR generalists usually perform the full range of HRM activities.

105. Which of the following is the primary professional organization for HRM that provides education and information services, and is also the world's largest human resource management association?

- A. the Collective for Strategic Human Resource Management
- B. the Foundation for the Recognition of Professionals International
- C. the Society for Human Resource Management
- D. the Human Resource Certification Institute
- E. the Association for Human Resource Professionals

Essay Questions

106. List the qualities associated with human resources that help an organization gain a sustainable competitive advantage.

107. List five of the HRM functions, briefly describing the specific activities associated with each.

108. Differentiate between training and development of employees.

109. Discuss the responsibility of HR with regard to planning and administering pay and benefits. Also, analyze the impact of this function on an organization.

110.Explain human resource planning and evidence-based HR. How do these concepts help HR in supporting an organization's strategy?

111.In an organization with a sustainable strategy, human resource departments focus on employee development and empowerment rather than short-term costs. Define the typical stakeholders in an organization. Then explain how sustainability positively affects both a company and its stakeholders.

112. Briefly describe the nine categories of HRM competencies that the Society for Human Resource Management found to be associated with success. Provide an example of a behavior for each.

113. Explain why supervisors and non-HR managers are expected to be familiar with the basics of HRM. List five examples of the types of HR responsibilities supervisors are expected to perform.

114. List and provide an example of the basic human rights suggested by the work of Immanuel Kant.

115. List the four principles followed by ethical, successful companies.

116. How would you describe a career in human resource management? Cite the type of positions available, degree requirements, the nature of the work, and salary levels.

Chapter 01 Managing Human Resources **Answer Key**

True / False Questions

1. Managers and economists traditionally have seen human resource management as a source of value to their organizations.

FALSE

Managers and economists traditionally have seen human resource management as a necessary expense rather than as a source of value to their organizations.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

2. The concept of "human resource management" implies that employees in an organization cannot be considered as a resource and hence are interchangeable.

FALSE

The concept of "human resource management" implies that employees are resources of an employer. This view means employees in today's organizations are not interchangeable, easily replaced parts of a system, but the source of the company's success or failure.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

3. Human resources cannot be imitated.

TRUE

Human resources cannot be imitated. To imitate human resources at a high-performing competitor, one would have to figure out which employees are providing the advantage and how. Then, one would have to recruit people who can do precisely the same thing and set up the systems that enable those people to imitate one's competitor.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 1 Easy

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

4. High-performance work systems have been essential in making organizations strong enough to weather the storm of a recession and remain profitable when the economy begins to expand after the recession.

TRUE

High-performance work systems have been essential in making organizations strong enough to weather the storm of a recent recession and remain profitable when the economy slowly begins to expand again. Maintaining a high-performance work system may include development of training programs, recruitment of people with new skill sets, and establishment of rewards for such behaviors as teamwork, flexibility, and learning.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 1 Easy

Topic: High-Performance Work Systems

5. No two human resource departments have precisely the same roles and responsibilities.

TRUE

No two human resource departments have precisely the same roles because of differences in organization sizes and characteristics of the workforce, the industry, and management's values. Many HR tasks may be performed by supervisors or others inside or outside the organization.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

6. Greater concern for innovation and quality has shifted the job trend to using more broadly defined jobs.

TRUE

In general, jobs can vary from having a narrow range of simple tasks to having a broad array of complex tasks requiring multiple skills. In the past, many companies have emphasized the use of narrowly defined jobs to increase efficiency. However, greater concern for innovation and quality has shifted the trend to more use of broadly defined jobs.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Challenges Facing Human Resources Today

7. An organization makes selection decisions in order to add employees to its workforce, as well as to transfer existing employees to new positions.

TRUE

Selection refers to the process by which the organization attempts to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the organization achieve its goals. An organization makes selection decisions in order to add employees to its workforce, as well as to transfer existing employees to new positions.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

8. Establishing and administering personnel policies allows a company to handle problematic situations more fairly and objectively than if it addressed such incidents on a case-by-case basis.

TRUE

Organizations depend on their HR department to help establish policies related to hiring, discipline, promotions, and benefits. Establishing and administering personnel policies allows the company to handle problematic situations more fairly and objectively than if it addressed such incidents on a case-by-case basis.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: The Role of Human Resource Managers

9. When a person evaluating performance is not familiar with the details of a job, outcomes tend to be easier to evaluate than specific behaviors.

TRUE

The human resource department may be responsible for developing or obtaining questionnaires and other devices for measuring performance. The performance measures may emphasize observable behaviors or both. When a person evaluating performance is not familiar with the details of a job, outcomes tend to be easier to evaluate than specific behaviors. The evaluation may focus on the short term or long term and on individual employees or groups.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Characteristics of Effective Performance Appraisals

10. Human resource management requires the ability to communicate through a variety of channels.

TRUE

For employees to comply with policies in an organization, they have to know and understand the policies. Therefore, human resource management requires the ability to communicate through a variety of channels. Examples include teaching policies by giving presentations at meetings, posting documents online, writing e-mail messages, and setting up social-media pages for employees.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: The Role of Human Resource Managers

11. Greater use of electronic databases has increased concerns about how employers protect employees' privacy.

TRUE

The increased use of and access to electronic databases by employees and employers suggest that in the near future legislation will be needed to protect employee privacy rights. Currently, no federal laws outline how to use employee databases in such a way as to protect employees' privacy while also meeting employers' and society's concern for security.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: How Technology Influences Human Resource Management?

12. Human resource management is increasingly becoming a purely administrative function.

FALSE

At one time, human resource management was primarily an administrative function. As more organizations have come to appreciate the significance of highly skilled human resources, however, many human resource departments have taken on a more active role in supporting an organization's strategy.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

13. Evidence-based HR refers to the practice of initiating disciplinary action against employees only in the presence of clear and demonstrable proof of undesirable behavior.

FALSE

Evidence-based human resource refers to demonstrating that human resource practices have a positive influence on a company's profits or key stakeholders (employees, customers, community, shareholders).

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

14. In organizations with sustainable strategies, the HR departments focus on employee development and empowerment rather than short-term costs.

TRUE

In an organization with a sustainable strategy, human resource departments focus on employee development and empowerment rather than short-term costs, on long-term planning rather than smooth turnover and outsourcing, and on justice and fairness over short-term profits.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

15. HR competencies are the sets of knowledge and skills associated with successful human resource management.

TRUE

The Society for Human Resource Management has defined sets of knowledge and skills associated with success, grouping these into nine categories it calls HR success competencies.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Human Resource Managers

16. The clusters of competencies needed by human resource professionals include technical, interpersonal, business, and leadership competencies.

TRUE

Success competencies fall into four clusters of competencies: technical, interpersonal, business, and leadership. In other words, it is not enough to know how to perform tasks specific to human resource management. HR professionals also must be able to work effectively with others, contribute to business success, and lead others ethically.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Human Resource Managers

17. HR activities are exclusively carried out by an HR specialist in small organizations.

FALSE

In large organizations, HR departments advise and support the activities of the other departments. In small organizations, there may be an HR specialist, but many HR activities are carried out by line supervisors. Either way, non-HR managers need to be familiar with the basics of HRM and their role with regard to managing human resources.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-04 Explain the role of supervisors in human resource management.

Level of Difficulty: 1 Easy

Topic: Human Resource Management in Small Businesses

18. The supervisors in an organization play a key role in employee relations because they are most often the voice of management for the employees.

TRUE

Supervisors play a key role in employee relations, because they are most often the voice of management for their employees, representing the company on a day-to-day basis. In their activities, supervisors can participate in HRM by taking into consideration the ways decisions and policies will affect their employees.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-04 Explain the role of supervisors in human resource management.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

19. The right of free consent states that employers can conceal the nature of a job while hiring an employee for a particular position.

FALSE

People have the right to be treated only as they knowingly and willingly consent to be treated. An example that applies to employees would be that employees should know the nature of the job they are being hired to do; the employer should not deceive them.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

20. Kira feels that being denied a promotion has more to do with being a woman than with her overall performance. However, her supervisors and the HR department are refusing to hear her case. This suggests that Kira has been denied her right to due process.

TRUE

In this scenario, Kira has been denied her right to due process. The right to due process states that if people believe their rights are being violated, they have the right to a fair and impartial hearing.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Ethics in Human Resource Management

21. In companies that are ethical and successful, senior executives are the only stakeholders who are responsible for the actions of the company.

FALSE

In ethical, successful companies, all employees assume responsibility for the actions of the company.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

22. For human resource practices to be considered ethical, they must result in the greatest good for the largest number of people.

TRUE

For human resource practices to be considered ethical, they must satisfy the three basic standards. First, HRM practices must result in the greatest good for the largest number of people. Second, employment practices must respect basic human rights of privacy, due process, consent, and free speech. Third, managers must treat employees and customers equitably and fairly.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

23. The role of an HR generalist is essentially limited to recruitment and selection.

FALSE

HR generalists usually perform the full range of HRM activities, including recruiting, training, compensation, and employee relations.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-06 Describe typical careers in human resource management.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

24. The vast majority of HRM professionals have a college degree.

TRUE

The vast majority of HRM professionals have a college degree, and many also have completed postgraduate work. The typical field of study is business (especially human resources or industrial relations), but some HRM professionals have degrees in social sciences, the humanities, and law programs.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-06 Describe typical careers in human resource management.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

25. The Society for Human Resource Management is the primary professional organization for HRM and the world's largest human resource management association.

TRUE

The primary professional organization for HRM is the Society for Human Resource Management (SHRM). SHRM is the world's largest human resource management association, with more than 250,000 professional and student members throughout the world.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-06 Describe typical careers in human resource management.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

Multiple Choice Questions

26. The concept of "human resource management" implies that employees are

- A. a secondary component of a business.
- B. troublesome and need to be monitored.
- C.** resources of the employer.
- D. an unnecessary cost to an employer.
- E. a rare component of the business world.

The concept of "human resource management" implies that employees are *resources* of the employer.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

27. In the context of human resource management, human capital refers to the
- A. wages, benefits, and other costs incurred in support of HR functions in an organization.
 - B. cash, equipment, technology, and facilities that an organization uses.
 - C. tax-deferred value of an employee's 401(k) plan.
 - D.** organization's employees, which add economic value to the company.
 - E. total budget allocated to the HR department in an organization.

As a type of resource, human capital means the organization's employees, described in terms of their training, experience, judgment, intelligence, relationships, and insight—the employee characteristics that can add economic value to the organization.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

28. Which of the following describes the employees of an organization in terms of their training, experience, judgment, intelligence, relationships, and insight?

A. performance management

B. human capital

C. tangible capital

D. traditional management

E. working capital

As a type of resource, human capital means the organization's employees, described in terms of their training, experience, judgment, intelligence, relationships, and insight—the employee characteristics that can add economic value to the organization.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

29. Daniel, the director of operations, strongly believes that human resource management (HRM) is critical to the success of organizations. Melissa, the CFO of the organization, opposes Daniel's view because she thinks HRM is an unnecessary expense for the company. Which of the following statements weakens Melissa's belief?

- A. HRM is highly substitutable and interchangeable.
- B. HRM is easily available for all companies to utilize.
- C. HRM helps an organization imitate human resources at a high-performing competitor.
- D. HRM ensures that persons with high levels of the needed skills and knowledge are easily found.
- E.** HRM is indispensable for building a competitive advantage.

In terms of business strategy, an organization can succeed if it has a sustainable competitive advantage (is better than competitors at something and can hold that advantage over a sustained period of time). Human resources that are valuable, rare, inimitable, and hard to replace will give a company such an advantage.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 3 Hard

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

30. How do human resources professionals provide an organization with a sustainable competitive advantage?

- A. They manage commonly available resources.
- B. They help the organization do what competitors are doing.
- C. They keep the organization focused on the short term.
- D.** They hire high-quality employees who provide a needed service as they perform many critical functions.
- E. They hire employees who are very enthusiastic despite lacking job experience and training.

Human resources can provide companies with a sustainable competitive advantage because human resources are valuable, rare, inimitable, and irreplaceable. An organization realizes the potential of these human resources through the ways it practices human resource management.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 2 Medium

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

31. In the context of today's organizations, which of the following statements is true of employees?

- A. Employees are not easily the replaced parts of a system; they are the source of a company's success or failure.
- B. Employees have good substitutes when the substitutes are well trained and highly motivated.
- C. Employees with high levels of the required skills and knowledge can be easily imitated.
- D. Employees within an organization seldom perform critical functions.
- E. Employees do not have the right to refuse to do what violates their moral beliefs.

Human capital means the organization's employees, described in terms of their training, experience, judgment, intelligence, relationships, and insight—the employee characteristics that can add economic value to the organization. In other words, for an organization to succeed at what it does, it needs employees with certain qualities, such as particular kinds of training and experience. This view means employees in today's organizations are not interchangeable, easily replaced parts of a system but the source of the company's success or failure.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 2 Medium

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

32. Identify the correct statement regarding human resources.

- A. Human resources can be imitated.
- B. Human resources are commonly found.
- C. Human resources have no good substitutes.**
- D. Human resources seldom perform critical functions.
- E. Human resources are interchangeable, easily replaced parts of a system.

Human resources have no good substitutes. When people are well trained and highly motivated, they learn, develop their abilities, and care about customers. It is difficult to imagine another resource that can match committed and talented employees.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 2 Medium

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

33. Montero Inc., an automobile manufacturing company, had the largest number of employees in the manufacturing sector last year. Instead of hiring more employees, the company decided to invest heavily in training its employees on automotive maintenance and design. Which of the following beliefs has most likely led the company to take this decision?

- A. The employees in the company are interchangeable.
 - B.** The employees are the source of the company's success or failure.
 - C. The union employees in the company will resign once their contract expires.
 - D. A majority of the employees own shares in the company.
 - E. A majority of the employees in the company have an automotive engineering background.
- Human capital means the organization's employees, described in terms of their training, experience, judgment, intelligence, relationships, and insight—the employee characteristics that can add economic value to the organization. In other words, for an organization to succeed at what it does, it needs employees with certain qualities, such as particular kinds of training and experience. This view means employees in today's organizations are not interchangeable, easily replaced parts of a system but the source of the company's success or failure. In this case, Montero Inc. decided to invest heavily in training its employees on automotive maintenance and design instead of hiring more employees because employees are the source of the company's success or failure.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

34. Joshua, the human resource manager at Potter Inc., has a clear understanding of the firm's business. This enables him to comprehend the various needs of the business and help the company meet its goals for attracting, keeping, and developing employees with the required skills. This scenario indicates Joshua's responsibility of

- A. providing administrative services.
- B. preparing a job analysis.
- C.** providing business partner services.
- D. creating a job design.
- E. maintaining positive employee relations.

In this case, Joshua executes his responsibility of providing business partner services. This involves developing effective HR systems that help the organization meet its goals for attracting, keeping, and developing people with the skills it needs. For the systems to be effective, HR people must understand the business so it can understand what the business needs.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

35. Kathleen is a member of the human resource department at Jade Corp. Setting a goal to enhance the firm's strategy, Kathleen works to attain it by understanding the current human resources. Through a series of surveys, interviews, and observations, she learns what talents the various departments of Jade Corp. are currently in need of, and attracts new human resources according to those requirements. What kind of HRM responsibility does this example illustrate?

- A. HRM's responsibility to handle administrative tasks
- B. HRM's responsibility to serve as a strategic partner**
- C. HRM's responsibility to carry out transactions
- D. HRM's responsibility to develop effective systems
- E. HRM's responsibility to answer questions

One way to define the responsibilities of HR departments is to think of HR as a business within the company with three product lines: administrative services and transactions, business partner services, and strategic partner. Being a strategic partner involves contributing to the company's strategy through an understanding of its existing and needed human resources and ways HR practices can give the company a competitive advantage. For strategic ideas to be effective, HR people must understand the business, its industry, and its competitors.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

36. How can an HR department that is considered its company's strategic partner help the company gain a competitive advantage?

- A. by handling administrative tasks with a commitment to quality
- B. by providing business partner services to meet the company's goals
- C. by providing skills training and career development programs
- D.** by understanding the existing human resources and providing new ones
- E. by answering questions on employee hiring and benefits

Contributing to a company's strategy through an understanding of its existing and needed human resources are ways HR practices can give the company a competitive advantage. For strategic ideas to be effective, HR people must understand the business, its industry, and its competitors.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

37. Olivia works in the human resource department at Hercules Corp. Her chief responsibilities include administering salaries, determining incentives, managing group insurance, and employee vacation and leave. Which human resource management function is being performed by Olivia?

- A. performance management
- B. employee relations
- C. selection
- D. training and development
- E. compensation and benefits**

In this case, Olivia is executing the HRM function of compensation and benefits. The responsibilities of the HRM function of compensation and benefits include wage and salary administration; incentive pay; insurance; vacation and leave administration; retirement plans; profit sharing; and stock plans.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Formulating Strategic Compensation Programs

38. Which of the following is a responsibility that is specifically associated with the HR function of employee relations?

- A.** conducting attitude surveys
- B. analyzing work
- C. creating HR information systems
- D. planning and forecasting human resources
- E. creating a job design

The HR function of employee relations involves taking attitude surveys; managing labor relations; developing employee handbooks and company publications; ensuring labor law compliance; and relocation and outplacement services.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Labor-Management Relations

39. Which of the following responsibilities is specifically associated with the HR function of support for strategy?

- A. temporary labor recruitment and record keeping
- B.** human resource planning and forecasting
- C. wage and salary administration
- D. development of employee handbooks and company publications
- E. development of an HR information system

Human resource planning and forecasting, talent management, and change management help provide support for an organization's overall strategy.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

40. In a recent trend, some companies are doing away with their human resource departments altogether because they
- A. prefer to have vertical organizational structures.
 - B. want to establish a centralized decision-making system.
 - C. need more narrowly-defined jobs due to greater concern for innovation and quality.
 - D. do not need HR for recruitment as they rely heavily on promotions from within and applicants referred by current employees.
 - E.** want to encourage department managers and other employees to handle HR issues as they arise.

No two human resource departments have precisely the same roles, because there are differences in organization sizes and characteristics of the workforce, the industry, and management's values. In a recent trend, some companies are doing away with their HR departments altogether, preferring to flatten their organizational structure and to encourage department managers and other employees to handle HR issues as they arise.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Challenges Facing Human Resources Today

41. Which of the following refers to the process of getting detailed information about jobs?

- A. job rotation
- B. supply chain management
- C. job analysis**
- D. policy creation
- E. job orientation

Job analysis is the process of getting detailed information about jobs.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Work-flow Analysis

42. Which of the following best describes job design?

- A. It is the process of defining the way work will be performed and the tasks that a given job requires.**
- B. It is the process of generating a pool of potential candidates for a job.
- C. It is the process of identifying suitable candidates for jobs.
- D. It is the technique of enabling employees to learn job-related knowledge, skills, and behavior.
- E. It is the technique of presenting candidates with detailed information about a job.

Job design is the process of defining the way work will be performed and the tasks that a given job requires.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Job Analysis and Job Design

43. At Tech Scale Inc., a company that deals in software products, employees often complain about the lack of clarity regarding the tasks they are required to perform. Often there are two employees working on overlapping tasks, while some tasks are not designated to any employee. Though employees are satisfied with the pay and work culture, this aspect of their work environment has led to a lot of conflict in the workplace. From the information provided, this complaint of the employees can be closely linked to which of the following HR functions?

- A. compliance with laws
- B. analysis and design of work**
- C. compensation and benefits
- D. maintenance of employee relations
- E. recruitment and selection

Job analysis is the process of getting detailed information about jobs. Job design is the process of defining the way work will be performed and the tasks that a given job requires. These processes help to group tasks in ways that help the organization to operate efficiently and to obtain people with the right qualifications to do the jobs well.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Job Analysis and Job Design

44. Which of the following is responsible for the shift in the job trend, from the use of narrowly defined jobs to the use of broadly defined jobs in organizations?

- A.** emphasis on innovation and quality
- B. increased demand for low skilled workers
- C. increased focus on simplifying jobs
- D. lack of competition
- E. reduced use of team-based projects

With many simple jobs, a company can easily find workers who can quickly be trained to perform the jobs at relatively low pay. However, greater concern for innovation and quality has shifted the trend to use of more broadly defined jobs.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Job Analysis and Job Design

45. Identify the process through which an organization seeks applicants for potential employment.

- A. orientation
- B. training
- C.** recruitment
- D. work analysis
- E. job design

Recruitment is the process through which an organization seeks applicants for potential employment. Organizations may use internal or external sources for their recruitment process.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

46. The process by which an organization attempts to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the organization achieve its goals is referred to as

- A. orientation.
- B. selection.**
- C. compensation.
- D. work analysis.
- E. performance management.

Selection refers to the process by which an organization attempts to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the organization achieve its goals. An organization makes selection decisions in order to add employees to its workforce, as well as to transfer existing employees to new positions.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Steps in the Recruitment and Selection Process

47. Edgar works at Alpha Inc. He is responsible for identifying individuals with skills required for the various roles in the organization. Which of the following human resource management practices is being performed by Edgar?

- A. performance management
- B. employee relations
- C. selection**
- D. training
- E. compensation

In this scenario, Edgar is involved in selecting potential employees for his organization. Selection refers to the process by which an organization attempts to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the organization achieve its goals. An organization makes selection decisions in order to add employees to its workforce, as well as to transfer existing employees to new positions.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Steps in the Recruitment and Selection Process

48. Which of the following describes a planned effort to enable employees to learn job-related knowledge, skills, and behavior?

- A. selection
- B. performance appraisal
- C. training**
- D. compensation
- E. recruitment

Training is a planned effort to enable employees to learn job-related knowledge, skills, and behavior. For example, many organizations offer safety training to teach employees safe work habits.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Employee Training

49. Which HR function involves offering programs through which employees acquire knowledge, skills, and behavior that improve their ability to meet the challenges of a variety of new or existing jobs, including the client and customer demands of those jobs?

- A. recruitment
- B. personnel policy
- C. development**
- D. employee relations
- E. selection

Most organizations provide ways for their employees to broaden or deepen their knowledge, skills, and abilities through training and development. Development involves acquiring knowledge, skills, and behavior that improve employees' ability to meet the challenges of a variety of new or existing jobs, including the client and customer demands of those jobs. Development programs often focus on preparing employees for management responsibility.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Employee Training

50. If a company, as part of its job redesign program, plans to set up teams to manufacture products, which of the following programs might it offer to help employees learn the ins and outs of effective teamwork?

- A.** development programs
- B. recruitment programs
- C. orientation programs
- D. selection programs
- E. performance management programs

Development involves acquiring knowledge, skills, and behavior that improve employees' ability to meet the challenges of a variety of new or existing jobs, including the client and customer demands of those jobs. Development programs often focus on preparing employees for management responsibility. Likewise, if a company plans to set up teams to manufacture products, it might offer a development program to help employees learn the ins and outs of effective teamwork.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Employee Training

51. In the context of HRM functions, the activities of training and development include

- A.** making decisions whether an organization will emphasize enabling employees to perform their current jobs, preparing them for future jobs, or both.
- B.** keeping track of how well employees are performing relative to objectives such as job descriptions and goals for a particular position.
- C.** attempting to identify applicants with the necessary knowledge, skills, abilities, and other characteristics that will help the organization achieve its goals.
- D.** preparing and distributing employee handbooks that detail company policies and, in large organizations, company publications such as a monthly newsletter or a website on the organization's intranet.
- E.** establishing policies related to hiring, discipline, promotions, and benefits.

Decisions related to training and development include whether an organization will emphasize enabling employees to perform their current jobs, preparing them for future jobs, or both. The organization may offer programs to a few employees in whom the organization wants to invest, or it may have a philosophy of investing in the training of all its workers. Some organizations, especially large ones, may have extensive formal training programs, including classroom sessions and training programs online.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Employee Training

52. Which of the following is defined as the process of ensuring employees' activities and outputs match an organization's goals?

- A. job analysis
- B. supply chain management
- C. employee development
- D. performance management**
- E. career planning

The process of ensuring that employees' activities and outputs match an organization's goals is called performance management. The activities of performance management include specifying the tasks and outcomes of a job that contribute to the organization's success. Then various measures are used to compare the employee's performance over some time period with the desired performance.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: What is Performance Management?

53. The employees at Circa Financial often complain that they are not provided feedback about their work. They feel that they do not get proper information as to how they have performed and the areas in which they need to improve. They also claim that the performance goals are vague and not measurable. Which of the following HR functions does Circa Financial need to specifically improve upon to resolve the complaints put forth by its employees?

- A. recruitment
- B. employee selection
- C. training and development
- D. performance management**
- E. planning and administering pay and benefits

Circa Financial needs to specifically improve upon the performance management function of HR to resolve the employees' complaints. The process of ensuring that employees' activities and outputs match an organization's goals is called performance management. The activities of performance management include specifying the tasks and outcomes of a job that contribute to the organization's success. Then various measures are used to compare the employee's performance over some time period with the desired performance.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: What is Performance Management?

54. Julie works at Matrix Inc. Her primary role in the company is to create self-rating, job-related questionnaires for the employees. Which of the following human resource management practices is being performed by Julie?

- A.** performance management
- B. employee relations
- C. selection
- D. training
- E. compensation

In this scenario, Julie is involved in performance management. The process of ensuring that employees' activities and outputs match an organization's goals is called performance management. The activities of performance management include specifying the tasks and outcomes of a job that contribute to the organization's success. The human resource department may be responsible for developing or obtaining questionnaires and other devices for measuring performance.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: What is Performance Management?

55. In the context of HRM functions, the activities of performance management include
- A. identifying applicants with the necessary knowledge and abilities that will help an organization achieve its goals.
 - B. making a planned effort to enable employees to learn job-related knowledge, skills, and behavior.
 - C.** specifying the tasks and outcomes of a job that contribute to an organization's success.
 - D. acquiring knowledge and skills that improve employees' ability to meet the challenges of a variety of new or existing jobs.
 - E. seeking applicants for potential employment.

The activities of performance management include specifying the tasks and outcomes of a job that contribute to the organization's success. Then various measures are used to compare the employee's performance over some time period with the desired performance.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: What is Performance Management?

56. Jonathan is a part of the HR department in an advertising firm that has recently brought in employees specializing in analysis of large volumes of data about consumer behavior. The manager to whom these analysts report does not share their knowledge of quantitative methods, but wants them to develop recommendations for better decision making. Jonathan is supporting the department by developing a form the manager will follow in measuring the analysts' performance. What kinds of performance measures should Jonathan focus on?

- A.** The form should measure outcomes, such as timely and useful recommendations, because the manager will not be able to evaluate specific technical behaviors.
- B. The form should measure specific technical behaviors, because the methods used by the analysts will determine the usefulness of their recommendations.
- C. The form should measure both outcomes and behaviors, because both are essential to success in the job.
- D. The form should measure personal traits, such as getting along with others, because Jonathan and the manager don't understand the technical requirements.
- E. The form should ask broad questions, so the manager can discuss whatever they think is important.

Performance measures may emphasize observable behaviors (for example, answering the phone by the second ring), outcomes (number of customer complaints and compliments), or both. When the person evaluating performance is not familiar with the details of the job, outcomes tend to be easier to evaluate than specific behaviors. Jonathan should consult with the manager to identify the outcomes that are needed for the department's success.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Characteristics of Effective Performance Appraisals

57. In an attempt to motivate its current employees and to attract skilled professionals, Labyrinth Inc. decides to increase salaries as well as year-end bonuses for its best performers. Which of the following HR functions is demonstrated in this scenario?

- A. performance management
- B. training and development
- C. recruitment
- D. planning and administering pay and benefits**
- E. maintaining positive employee relations

The pay and benefits that employees earn play an important role in motivating them. A company that wants to provide an exceptional level of service or be exceptionally innovative might pay significantly more than competitors in order to attract and keep the best employees.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Pay-for-Performance Systems

58. Which of the following HR functions includes preparing and distributing employee handbooks that detail company policies?

- A. recruitment and selection
- B. maintaining positive employee relations**
- C. ensuring compliance with labor laws
- D. performance management
- E. planning and administering pay and benefits

Organizations often depend on human resource professionals to help them maintain positive relations with employees. This function includes preparing and distributing employee handbooks that detail company policies and, in large organizations, company publications such as a monthly newsletter or a website on the organization's intranet.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Purpose of an Employee Handbook

59. Nicole, an employee at Neo Corp., develops and distributes newsletters that announce upcoming events in the company. Which of the following human resource management practices is being performed by Nicole?

A. performance management

B. employee relations

C. selection

D. training

E. compensation

In this scenario, Nicole's role in the organization is to maintain employee relations.

Organizations often depend on human resource professionals to help them maintain positive relations with employees. This function includes preparing and distributing employee handbooks that detail company policies and, in large organizations, company publications such as a monthly newsletter or a website on the organization's intranet.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

60. Some of the employees of RVZ Services are unhappy with their supervisor's comments and remarks. They feel they are being unduly discriminated against by the supervisor, and so they turn to the HR department for help. Addressing such problems is a part of the HR function of

- A. recruitment and selection.
- B.** employee relations.
- C. training and development of employees.
- D. performance management.
- E. planning and administration of pay and benefits.

Organizations often depend on human resource professionals to help them maintain positive relations with employees. Employees turn to the HR department for answers to questions about benefits and company policy and for communicating grievances. Members of the department should be prepared to address such problems.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

61. The HR function of maintaining positive employee relations includes

- A. maintaining performance measures on outcomes.
- B. offering training programs on effective teamwork.
- C. selecting only those applicants that are referred by employees.
- D.** maintaining communication with union representatives.
- E. planning employee pay and benefits.

In organizations where employees belong to a union, employee relations entail additional responsibilities. The organization periodically conducts collective bargaining to negotiate an employment contract with union members. The HR department maintains communication with union representatives to ensure that problems are resolved as they arise.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: What is a Union? Why Do Employees Join Unions?

62. What is the advantage of establishing and administering policies in organizations?

- A.** It allows companies to handle situations more fairly and objectively.
- B. It allows companies to address issues on a case-by-case basis.
- C. It eliminates the need for documentation and record keeping.
- D. It encourages employees to defend themselves by claiming ignorance of disciplinary norms.
- E. It leaves a lot of room for subjective decision-making.

With a policy in place, a company can handle situations more fairly and objectively than if it addressed such incidents on a case-by-case basis.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

63. _____ refers to the use of quantitative tools and scientific methods to analyze data from human resource databases and other sources to make evidence-based decisions that support business goals.

- A. Conjoint analysis
- B. Performance management
- C. Workforce analytics**
- D. Career development
- E. Task analysis

Organizations engage in workforce analytics, which is the use of quantitative tools and scientific methods to analyze data from human resource databases and other sources to make evidence-based decisions that support business goals.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Learning Objective: 01-02 Identify the responsibilities of human resource departments.
Level of Difficulty: 1 Easy
Topic: Technology's Role in HRM Activities

64. Fiona, a manager at Norman Corp., is responsible for workforce analytics in the organization. Her supervisor, Martin, argues it is an unnecessary expense as he believes that collecting employee-related information is just an administrative responsibility. Which of the following statements, if true, would weaken Martin's argument?

- A. Fiona established policies regarding violations of company regulations.
- B.** Fiona identified subordinates who showed the potential to become leaders in the company based on the data.
- C. Fiona prepared and distributed company publications on the organization's intranet.
- D. Fiona was able to actively recruit candidates from external sources, such as Internet job postings and college recruiting events.
- E. Fiona was able to specify the tasks and outcomes of a job that contributed to the organization's success.

Employee-related information is not just an administrative responsibility, thanks to computer tools. It also can be the basis for knowledge that gives organizations an edge over their competitors. They may engage in workforce analytics, which is the use of quantitative tools and scientific methods to analyze data from human resource databases and other sources to make evidence-based decisions that support business goals. In this case, as Fiona enforced workforce analytics at Norman Corp., it helped her spot subordinates who could be made leaders in the future with the data.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Technology's Role in HRM Activities

65. Albright Corp. uses a set of quantitative tools to assess employee data such as performance, compensation, designations, and benefits. This is done to arrive at decisions based on accurate findings from analyses that can help the firm achieve its goals. Albright is engaging in the practice of _____.

- A. training and development
- B. job design
- C. employee relations
- D. talent management
- E. workforce analytics**

Workforce analytics is the use of quantitative tools and scientific methods to analyze data from human resource databases and other sources to make evidence-based decisions that support business goals. In this scenario, Albright Corp. is using workforce analytics as it arrives at decisions based on accurate findings from analyses using quantitative tools that can help the firm achieve its goals.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Technology's Role in HRM Activities

66. When a manufacturer experienced a slowdown in sales, it laid off the two employees with the poorest attendance. One of the employees sued the company, saying it should have laid off the most recently hired workers. What defense would the company most likely offer?

- A. The layoffs were not discriminatory.
- B. The company was forced to make the layoffs.
- C. There are no federal laws that apply to this situation.
- D.** The layoffs were instances of employment at will.
- E. The age of the company's workforce has been rising.

Because economic or competitive conditions can force companies to close facilities and lay off employees, cases dealing with the illegal discharge of employees have increased. The issue of "employment at will"—that is, the principle that an employer may terminate employment at any time without notice—will be debated.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Employment-at-Will, Wrongful Discharge, Implied Contract and Constructive Discharge

67. Costabin Inc., a company in the recycling business, has revamped its management and business criteria. It has also added new objectives that would require recruitment of new and skilled labor. The responsibility of identifying the numbers and the kinds of employees lies with the HR department of the firm. This responsibility of the HR department is known as

- A. supply chain management.
- B. performance management.
- C. human resource planning.**
- D. utilization analysis.
- E. performance planning.

This responsibility of Costabin's HR department is known as human resource planning. Human resource planning involves identifying the numbers and types of employees an organization will require in order to meet its objectives. Using these estimates, the human resource department helps the organization forecast its needs for hiring, training, and reassigning employees.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Describe Human Resource Planning and the Categories of HRM Activities

68. Which of the following is defined as a systematic, planned effort to attract, retain, develop, and motivate highly skilled employees and managers?

- A. work flow analysis
- B. job analysis
- C. conjoint analysis
- D. talent management**
- E. performance management

Talent management is a systematic, planned effort to attract, retain, develop, and motivate highly skilled employees and managers. When managers are clear about the kinds of people they will need to achieve an organization's goals, talent management combines recruiting, selection, training, and motivational practices to meet those needs.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Talent Management

69. Which of the following best describes evidence-based HR?

- A. It is the exclusive use of statistical models for planning, forecasting, and other related HR activities.
- B. It refers to establishing overlapping performance goals and desired outcomes during performance management.
- C.** It refers to demonstrating that human resource practices have a positive influence on a company's profits or key stakeholders.
- D. It is the process of ensuring that employees' activities and outputs match an organization's goals.
- E. It is the organization-wide planned effort to enable employees to learn job-related knowledge, rather than teamwork or communication skills.

Evidence-based HR refers to demonstrating that human resource practices have a positive influence on the company's profits or key stakeholders (employees, customers, community, shareholders). This practice helps show that the money invested in HR programs is justified and that HRM is contributing to the company's goals and objectives.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

70. An organization's ability to profit without depleting its resources, including employees, natural resources, and the support of the surrounding community, is called

- A. adjustability.
- B. absorbability.
- C. substitutability.
- D. sustainability.**
- E. credibility.

Sustainability is broadly defined as an organization's ability to profit without depleting its resources, including employees, natural resources, and the support of the surrounding community. Sustainability seeks profits in ways that communities, customers, and suppliers will support in the long run.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

71. Blandings Corp., an apparel manufacturer, has been profitable for a long time without depleting its resources—raw materials, employees, and the support of the local community. The company also caters to the needs of all its stakeholders. Which of the following characteristics is illustrated in this scenario?

- A.** sustainability
- B. strategic architecture
- C. compliance with law
- D. talent management
- E. workforce analytics

Sustainability is broadly defined as an organization's ability to profit without depleting its resources, including employees, natural resources, and the support of the surrounding community. Success at sustainability comes from meeting the needs of the organization's stakeholders—all the parties who have an interest in the organization's success.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Challenges Facing Human Resources Today

72. The parties with an interest in a company's success—typically, shareholders, the community, customers, and employees—constitute which members of the company?

- A. advisors
- B. stakeholders**
- C. management
- D. personnel
- E. strategic partners

Stakeholders of a company are the parties who have an interest in the company's success; typically, they include shareholders, the community, customers, and employees. Success at sustainability comes from meeting the needs of the organization's stakeholders, all the parties who have an interest in the organization's success.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

73. Joanna, a local farmer, buys her equipment exclusively from the manufacturer Wooster. Inc. Because of this, Joanna is affected by Wooster Inc.'s operations. This indicates that Joanna is a_____.

- A.** stakeholder
- B. business partner
- C. workforce analyst
- D. talent manager
- E. strategic partner

Stakeholders are all the parties who have an interest in the company's success (typically, shareholders, the community, customers, and employees). In this case, Joanna is a stakeholder because she purchases her equipment from Wooster Inc. This means she has an interest in the success of the company.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

74. Identify the correct statement regarding sustainable organizations.

- A. They primarily focus on maximizing profits and delivering high returns to investors.
- B. They focus on smooth turnover and outsourcing rather than long-term planning.
- C.** They are more concerned about justice and fairness rather than short-term profits.
- D. They are less concerned about employee development and empowerment.
- E. They are more concerned with the quantum of output than quality standards.

Sustainable organizations meet the stakeholders' needs by minimizing their environmental impact, providing high-quality products and services, ensuring workplace safety, offering fair compensation, and delivering an adequate return to investors. In an organization with a sustainable strategy, HR departments focus on employee development and empowerment rather than short-term costs, on long-term planning rather than smooth turnover and outsourcing, and on justice and fairness over short-term profits.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Understanding Human Resource Management

75. An HR manager can demonstrate competency in communication by excelling at which of the following behaviors?

- A. setting a vision for the HR function
- B. listening effectively**
- C. supporting inclusiveness
- D. maintaining confidentiality
- E. applying knowledge of business principles

Communication involves the skills needed to exchange information with others inside and outside the organization. Behavior examples include expressing information clearly, providing constructive feedback, and listening effectively.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Human Resource Managers

76. A human resource professional of a company exhibits the competency of business acumen when he or she

- A. acquires knowledge of other cultures.
- B. responds to reports of unethical conduct.
- C. applies statistical knowledge to understand data.
- D. applies knowledge of how HR functions contribute to business success.**
- E. uses HR technology correctly.

Business acumen involves understanding how information can be used to support the organization's strategy. Behaviors include gaining and applying knowledge of business principles and how HR functions relate to business success.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Human Resource Managers

77. What clusters of competencies are necessary for success in human resource management?

- A. hiring, compensation, event planning, and training
- B.** technical, interpersonal, business, and leadership
- C. technical, hiring, motivation, and compensation
- D. business, development, leadership, and interpersonal
- E. technical, business, training, and hiring

The Society for Human Resource Management has defined sets of knowledge and skills associated with success, grouping these into nine categories it calls HR success competencies. These fall into four clusters of competencies: technical, interpersonal, business, and leadership.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Human Resource Managers

78. According to the SHRM competency model, which of the following competencies is part of the interpersonal cluster?

- A. leadership
- B. human resource expertise
- C. business acumen
- D. critical evaluation
- E. global and cultural effectiveness**

The Society for Human Resource Management has defined sets of knowledge and skills associated with success, grouping these into nine categories it calls HR success competencies. These fall into four clusters of competencies: technical, interpersonal, business, and leadership. The interpersonal cluster includes relationship management, communication, and global and cultural effectiveness.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Human Resource Managers

79. According to your text, it is not enough for HR professionals to know how to perform tasks specific to human resource management. HR professionals also must be able to work effectively with others, contribute to business success, and

- A. keep up-to-date on technology laws.
- B. Instruct others in the use of HR technology.
- C.** lead others ethically.
- D. occasionally gather relevant data.
- E. ensure policies remain unchanged.

It is not enough to know how to perform tasks specific to human resource management. HR professionals also must be able to work effectively with others, contribute to business success, and lead others ethically.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

80. Heather is a benefits specialist at McCoy Manufacturing. She negotiates contracts for insurance, retirement plans, and other employee benefits in order to get the best possible deal while meeting all legal requirements. She understands the details of each benefit and is able to help employees understand the value of their benefits. This scenario illustrates Heather's competency in the area of

- A. consultation.
- B.** human resource expertise.
- C. relationship management.
- D. ethical practice.
- E. business acumen.

This scenario illustrates Heather's human resource expertise. This competency essentially involves understanding and carrying out the functions of human resource management. These behaviors involve using HR technology, applying policies and procedures, and keeping up-to-date on HR laws.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Human Resource Managers

81. Ellie is a human resource manager at Harris Corp. She skillfully handles personal interactions with her staff and the other department managers. She is highly admired by others in the organization because she treats others with respect and builds trust. This scenario indicates Ellie has strengths in the HR success competency of

- A. consultation.
- B.** relationship management.
- C. leadership and navigation.
- D. global and cultural effectiveness.
- E. critical evaluation.

In this case, Ellie is displaying competency associated with relationship management. Relationship management involves handling the personal interactions necessary for providing services and supporting the organization's goals.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Human Resource Managers

82. Acme Manufacturing wants to build a new factory and is comparing locations in three states. How could an HR professional use consultation competencies to support this effort?

- A. by handling the personal interactions among the decision makers
- B. by encouraging people to collaborate on a decision
- C. by setting a vision for the HR function
- D.** by gathering data about labor supply and demand in the states
- E. by gaining knowledge of business principles

Consultation refers to the ways HR employees guide others in the organization. They do this through behaviors such as coaching, gathering data to support business decisions, and especially at a senior level, designing solutions in support of business strategy. Gathering data about the labor market would be an example of using consultation competencies.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 2 Medium

Topic: Labor Supply and Demand

83. Reese, the human resource manager at Axis Inc., has developed an inspiring vision of how the HR function should contribute to employees' well-being and the company's success. She models the values and behaviors supporting that vision, and she gets her staff excited to be part of realizing the vision. This indicates that Reese has competencies in the area of

- A. global and cultural effectiveness.
- B. critical evaluation.
- C. relationship management.
- D. leadership and navigation.**
- E. human resource expertise.

In this scenario, Reese demonstrates competency in leadership and navigation. This area of competency refers to direction the organization's processes and programs. Depending on one's level in the organization, the necessary behaviors would include behaving consistently with the organization's culture, encouraging people to collaborate, or setting a vision for the HR function or entire organization.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Human Resource Managers

84. Nikita heads the human resource team at Strait Corp., a marketing firm with a diverse group of employees in three countries. She has knowledge about the cultures of the employees and applies that knowledge to build cooperation and resolve conflicts. She appreciates that all her employees bring different strengths to the company, and she helps to foster a climate in which all are encouraged to contribute. This scenario illustrates Nikita's competency in the area of
- A. ethical practice.
 - B. critical evaluation.
 - C. business acumen.
 - D. global and cultural effectiveness.**
 - E. human resource expertise.

This scenario illustrates Nikita's competency in global and cultural effectiveness. This competency means valuing and considering various people's perspectives. Behaviors include acquiring knowledge of other cultures, resolving conflicts, and supporting inclusiveness so that all can contribute to their fullest.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Human Resource Managers

85. Charles heads the human resource department at technology development company Schultz Inc. There, he monitors trends of the labor markets in Schultz's industry. Studying the trends, Charles realizes the company is likely going to need more sources of employees skilled in robotics. He gathers information about the best robotics training programs in the regions where the company operates. Then he applies that information to build connections with selected schools, thereby resolving a recruitment problem before it becomes serious. This scenario illustrates Charles's competency in

- A. global and cultural effectiveness.
- B. communication.
- C.** critical evaluation.
- D. leadership and navigation.
- E. relationship management.

This scenario illustrates Charles's competency in critical evaluation. That competency refers to the interpretation of information needed for making business decisions. Behaviors include gathering relevant data, applying statistical knowledge to understand the data, and finding root causes or problems.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Human Resource Managers

86. Jacob is the human resource manager at Platinum Corp. He clearly understands the company's strategy. He has a solid understanding of business principles, and he applies these to help the HR department contribute to Platinum's success. This scenario indicates that Jacob has competency in the area of

- A.** business acumen.
- B. ethical practice.
- C. communication.
- D. leadership and navigation.
- E. relationship management.

In this scenario, Jacob exhibits strength in the area of business acumen. Business acumen involves understanding how information can be used to support the organization's strategy. Behaviors include gaining and applying knowledge of business principles and how HR functions relate to business success.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Human Resource Managers

87. Which of the following is the correct statement about the HR responsibilities of supervisors?

- A. Supervisors do not interview job candidates.
- B. In large organizations, all HR activities are carried out by supervisors.
- C. Supervisors do not need to be familiar with the basics of HRM.
- D. Job analysis and job design are techniques that lie outside the purview of supervisors.
- E. Supervisors typically have responsibilities related to all the HR functions.**

Supervisors typically have responsibilities related to all the HR functions. Job analysis and design; HR planning; interviewing job candidates and participating in hiring decisions; training employees; conducting performance appraisals and recommending pay increases; and playing a key role in employee relations are some of the ways in which supervisors participate in HR functions.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-04 Explain the role of supervisors in human resource management.

Level of Difficulty: 2 Medium

Topic: Understanding Human Resource Management

88. Craig, one of the senior managers at Clayton Inc., insists that company supervisors handle employee relations as part of their jobs. Which of the following statements strengthens Craig's argument?

- A.** The supervisors represent the company on a day-to-day basis.
- B. The supervisors have the business experience to take up additional responsibilities.
- C. The supervisors do not hold any stakes in the organization.
- D. The supervisors are not a part of the employees' union.
- E. The supervisors are responsible for any action taken by the employees.

In this case, Craig insists that the supervisors of Clayton Inc. handle employee relations because supervisors play a key role in employee relations. They are most often the voice of management for their employees, and represent a company on a day-to-day basis.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

Learning Objective: 01-04 Explain the role of supervisors in human resource management.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

89. Which of the following is TRUE of ethics in human resource management?

- A. evidence shows that HRM practices are invariably ethical
- B. the general public has a positive perception of the ethical conduct of U.S. businesses
- C. HR managers must view employees as having basic rights**
- D. most managers have a positive perception of the ethical conduct of U.S. businesses
- E. most people believe that individuals apply values they hold in their personal lives to their professional activities

Ethics refers to fundamental principles of right and wrong. Ethical behavior is behavior that is consistent with those principles. In the context of ethical human resource management, HR managers must view employees as having basic rights. Business decisions, including HRM decisions, should be ethical, but the evidence suggests that is not always what happens. As a result, recent surveys indicate that the general public and managers do not have positive perceptions of the ethical conduct of U.S. businesses.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Ethics in Human Resource Management

90. Which of the following views on employment reflects the ethical principles embodied in the U.S. Constitution and Bill of Rights?

- A.** HR managers must view employees as having basic rights.
- B. HR managers have the right to lifetime employment.
- C. HR managers have the right to hire whoever they deem best suited for a job.
- D. HR managers must view employees as a necessary expense.
- E. HR managers must set aside quotas for minorities.

In the context of ethical human resource management, HR managers must view employees as having basic rights. Such a view reflects ethical principles embodied in the U.S. Constitution and Bill of Rights.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Ethics in Human Resource Management

91. According to the philosopher Immanuel Kant, the right of employees to know the nature of the job they are being hired to do and the obligation of a company not to deceive them in this respect is mainly reflective of the basic right of

- A. privacy.
- B. free consent.**
- C. freedom of speech.
- D. freedom of conscience.
- E. first refusal.

The right of free consent states that people have the right to be treated only as they knowingly and willingly consent to be treated. An example that applies to employees would be that employees should know the nature of the job they are being hired to do; the employer should not deceive them.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

92. Jarvis, a manager at Carmile Inc., is rigid with his employees and does not allow them to voice their opinions or criticisms about their superiors. On the other hand, Michelle, another manager at the same firm, encourages her subordinates to communicate with her openly. Which of the following statements uses basic rights to argue in favor of Michelle's practice over that of Jarvis's?

- A. It enables Michelle to keep a tab on the grapevine communication in the company.
- B.** It engages the employees in expressing constructive criticisms and opinions.
- C. It reduces the possibility of any whistle blowers in the company.
- D. It enhances the chances of more employees being promoted.
- E. It curbs the privacy and confidential requirements of an employee.

The right of freedom of speech states that people have the right to criticize an organization's ethics if they do so in good conscience and their criticism does not violate the rights of individuals in the organization. Many organizations address this right by offering hot lines or policies and procedures designed to handle complaints from employees.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Ethics in Human Resource Management

93. Which of the following scenarios demonstrates a violation of the right of freedom of conscience in a workplace environment?

- A. A supervisor shares the previous employment details of an employee with a colleague.
- B. An interviewer does not specify the details of a job to a prospective employee.
- C.** A supervisor coerces an employee to use unsafe practices to keep a project on schedule.
- D. An employee complains about his supervisor during a conference call with a client.
- E. A supervisor does not provide a fair hearing when an employee complains about a colleague.

The scenario given above exemplifies the violation of the right of freedom of conscience in the workplace environment. According to the right of freedom of conscience, people have the right to refuse to do what violates their moral beliefs, as long as these beliefs reflect commonly accepted norms. A supervisor who demands that an employee do something that is unsafe or environmentally damaging may be violating this right if the task conflicts with the employee's values.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Ethics in Human Resource Management

94. Which of Kant's basic human rights is violated when a supervisor requires an employee to do something that is unsafe or environmentally damaging, in spite of the employee clearly objecting to the order?

- A. right of freedom of speech
- B. right of equal opportunity employment
- C. right to due process
- D. right of freedom of conscience**
- E. right of privacy

Right of freedom of conscience implies that people have the right to refuse to do what violates their moral beliefs, as long as these beliefs reflect commonly accepted norms.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Ethics in Human Resource Management

95. According to your text, the right of privacy is the right to

- A. know the nature of the job a person is being hired for.
- B. autonomy in how a person carries out their work.
- C. control what a person reveals about their private life.**
- D. a fair and impartial hearing.
- E. fight against a wrongful discharge.

The right of privacy holds that people have the right to do as they wish in their private lives, and they have the right to control what they reveal about private activities.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

96. By keeping employees' personal records confidential, an employer respects their right of

- A. autonomy.
- B. freedom of conscience.
- C. equal opportunity.
- D. freedom of speech.
- E.** privacy.

The right of privacy holds that people have the right to do as they wish in their private lives, and they have the right to control what they reveal about private activities.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

97. Patrick, an employee at Jones Inc., was unhappy with the firm's existing project management system. Hence, he communicated this to the top management by expressing his complaints in an e-mail. According to the work of philosopher Immanuel Kant, Patrick applied his right of

- A. freedom of conscience.
- B. first refusal.
- C. freedom of speech.**
- D. privacy.
- E. free consent.

In this case, Patrick applied his right of freedom of speech. According to the work of philosopher Immanuel Kant, every person has certain basic rights. One of them is right of freedom of speech. According to this right, people have the right to criticize an organization's ethics if they do so in good conscience and their criticism does not violate the rights of individuals in the organization.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Ethics in Human Resource Management

98. Kurt, a manager at Marshall Inc., was asked by his supervisor to sign a contract with a new supplier. The contract stated that the industrial waste released by the company would be released into a local river. Kurt was against this idea of polluting the river with the waste, so he refused to sign the contract. In this scenario, Kurt exercised his right of

- A.** freedom of conscience.
- B. first refusal.
- C. freedom of speech.
- D. privacy.
- E. free consent.

According to the work of philosopher Immanuel Kant, every person has certain basic rights. One of them is the right of freedom of conscience. According to this right, people have the right to refuse to do what violates their moral beliefs, as long as these beliefs reflect commonly accepted norms. A supervisor who demands that an employee do something that is unsafe or environmentally damaging may be violating this right if the task conflicts with the employee's values.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Ethics in Human Resource Management

99. If people believe their rights are being violated, they have the right to a fair and impartial hearing. This reflects the basic human right to

- A. lifetime employment.
- B. privacy.
- C. due process.**
- D. free consent.
- E. freedom of conscience.

Right to due process implies that if people believe their rights are being violated, they have the right to a fair and impartial hearing.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

100. Which of the following describes companies that are ethical and successful?

- A. They are solely concerned about the benefits of the company while making business decisions.
- B. The owners most often assume responsibility for the actions of the company, rather than the employees.
- C. They are less concerned about the interests of the people involved in the business.
- D. Their main aim is to maximize profits in all their transactions.
- E.** They have a sense of purpose and vision that the employees value and use in their day-to-day work.

Ethical, successful companies act according to four principles. First, in their relationships with customers, vendors, and clients, ethical and successful companies emphasize mutual benefits. Second, employees assume responsibility for the actions of the company. Third, such companies have a sense of purpose or vision that employees value and use in their day-to-day work. Finally, they emphasize fairness; that is, another person's interests count as much as their own.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Ethics in Human Resource Management

101. Which of the following is a standard that human resource managers must satisfy for HRM practices to be ethical?

- A. Managers must treat employees as family.
- B.** Human resource practices must result in the greatest good for the largest number of people.
- C. Employment practices must respect employees' right of lifetime employment.
- D. Managers must always maintain that customers are right.
- E. Employment practices must limit the application of the principle of employment-at-will as it is unfair to employees.

For human resource practices to be considered ethical, they must satisfy three basic standards. First, HRM practices must result in the greatest good for the largest number of people. Second, employment practices must respect basic human rights of privacy, due process, consent, and free speech. Third, managers must treat employees and customers equitably and fairly.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 2 Medium

Topic: The Role of Ethics in Human Resource Management

102. Which of the following is one of the four principles that guides how ethical companies act?

- A. short change customers and vendors
- B. perform only in ways that benefit the company
- C.** have a sense of purpose or vision that employees value and use
- D. only permit top management to take responsibility for the company
- E. emphasize fairness only if it suits the company

Ethical, successful companies act according to four principles. First, in their relationships with customers, vendors, and clients, ethical and successful companies emphasize mutual benefits. Second, employees assume responsibility for the actions of the company. Third, such companies have a sense of purpose or vision that employees value and use in their day-to-day work. Finally, they emphasize fairness; that is, another person's interests count as much as their own.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Ethics in Human Resource Management

103. When Ulysses Corp., a travel insurance company, decided to introduce new goals for its internal management, there was a rift regarding what should be implemented. Group A emphasized short-term goals that would benefit the company, while Group B believed in introducing policies that would create more mutually-beneficial relationships with client businesses, such as major airlines. Which of the following results would prove Group B's decision to be ideal?

- A. rival businesses going bankrupt due to a slow economy
- B. an increase of quarterly bonuses offered to executives
- C. studies showing a rise in the number of consumers looking to take a vacation
- D.** an increase of airline customers purchasing Ulysses' insurance
- E. a steady decline of unhappy employees at Ulysses Corp. due to new healthcare benefits

Ethical, successful companies act according to four principles. First, in their relationships with customers, vendors, and clients, ethical and successful companies emphasize mutual benefits. Second, employees assume responsibility for the actions of the company. Third, such companies have a sense of purpose or vision that employees value and use in their day-to-day work. Finally, they emphasize fairness; that is, another person's interests count as much as their own.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Ethics in Human Resource Management

104. Which of the following statements is true about the HR profession?

- A. A degree in law is the sole requirement for those who wish to choose HRM as a profession.
- B. All HRM professionals have a postgraduate degree.
- C. Professional certification in HRM continues to be the only way to get into the field.
- D. Usually, HR generalists get paid substantially more than HR training directors.
- E.** HR generalists usually perform the full range of HRM activities.

HR generalists usually perform the full range of HRM activities, including recruiting, training, compensation, and employee relations. The vast majority of HRM professionals have a college degree, and many also have completed postgraduate work. The typical field of study for HR professionals is business.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: 01-06 Describe typical careers in human resource management.

Level of Difficulty: 2 Medium

Topic: Understanding Human Resource Management

105. Which of the following is the primary professional organization for HRM that provides education and information services, and is also the world's largest human resource management association?

- A. the Collective for Strategic Human Resource Management
- B. the Foundation for the Recognition of Professionals International
- C. the Society for Human Resource Management**
- D. the Human Resource Certification Institute
- E. the Association for Human Resource Professionals

The primary professional organization for HRM is the Society for Human Resource Management (SHRM). SHRM is the world's largest human resource management association, with more than 250,000 professional and student members throughout the world. It provides education and information services, conferences and seminars, government and media representation, and online services and publications.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: 01-06 Describe typical careers in human resource management.

Level of Difficulty: 1 Easy

Topic: Professional Employers' Organizations

Essay Questions

106. List the qualities associated with human resources that help an organization gain a sustainable competitive advantage.

Human resources have the following four necessary qualities that help an organization gain a sustainable competitive advantage:

- 1) Human resources are valuable. High-quality employees provide a needed service as they perform many critical functions.
- 2) Human resources are rare. A person with high levels of the needed skills and knowledge is not common.
- 3) Human resources cannot be imitated. To imitate human resources at a high-performing competitor, one would have to first figure out which employees are providing the advantage and how. Then people would need to be recruited who can do precisely the same thing. Finally, systems would have to be set up to enable those people to imitate the competitor.
- 4) Human resources have no good substitutes. When people are well trained and highly motivated, they learn, develop their abilities, and care about customers. It is difficult for another resource to match committed and talented employees.

AACSB: Analytical Thinking

Blooms: Apply

Learning Objective: 01-01 Define human resource management, and explain how HRM contributes to an organization's performance.

Level of Difficulty: 3 Hard

Topic: How HRM Helps to Build a Sustainable Competitive Advantage?

107. List five of the HRM functions, briefly describing the specific activities associated with each.

Some of the important HR responsibilities include:

- 1) Analysis and design of work: Work analysis, job design, and job descriptions.
- 2) Recruitment and selection: Recruiting, job postings, interviewing, testing, and coordinating use of temporary labor.
- 3) Training and development: Orientation, skills training, and career development programs.
- 4) Performance management: Performance measures; preparation and administration of performance appraisals; and discipline.
- 5) Compensation and benefits: Wage and salary administration, incentive pay, insurance, vacation leave administration, retirement plans, profit sharing, and stock plans.
- 6) Employee relations: Attitude surveys, labor relations, employee handbooks, company publications, labor law compliance, and relocation and outplacement services.
- 7) Personnel policies: Policy creation and policy communication.
- 8) Employee data and information systems: Record keeping, HR information systems, and workforce analytics.
- 9) Compliance with laws: Policies to ensure lawful behavior, reporting, posting information, safety inspections, and accessibility accommodations.
- 10) Support for strategy: Human resource planning and forecasting, talent management, and change management.

AACSB: Analytical Thinking

Blooms: Remember

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 1 Easy

Topic: Understanding Human Resource Management

108. Differentiate between training and development of employees.

Training is a planned effort to enable employees to learn job-related knowledge, skills, and behavior. For example, many organizations offer safety training to teach employees safe work habits. Development involves acquiring knowledge, skills, and behavior that improve employees' ability to meet the challenges of a variety of new or existing jobs, including the client and customer demands of those jobs. Development programs often focus on preparing employees for management responsibility. Likewise, if a company plans to set up teams to manufacture products, it might offer a development program to help employees learn the ins and outs of effective teamwork.

AACSB: Analytical Thinking

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Employee Training

109. Discuss the responsibility of HR with regard to planning and administering pay and benefits. Also, analyze the impact of this function on an organization.

The pay and benefits that employees earn play an important role in motivating them. This is especially true when rewards such as bonuses are linked to an individual's or group's achievements. Decisions about pay and benefits can also support other aspects of an organization's strategy. For example, the decision regarding whether to pay employees above market rates or to pursue a low-cost strategy may affect the type of potential employees attracted to the company. Planning pay and benefits involves many decisions, often complex and based on knowledge of a multitude of legal requirements. An important decision is how much to offer in salary or wages, as opposed to bonuses, commissions, and other performance-related pay. Other decisions involve which benefits to offer, from retirement plans to various kinds of insurance to time off with pay. All such decisions have implications for the organization's bottom line, as well as for employee motivation. Administering pay and benefits is another big responsibility. Organizations need systems for keeping track of each employee's earnings and benefits. Employees need information about their health plan, retirement plan, and other benefits. Keeping track of this involves extensive record keeping and reporting to management, employees, the government, and others.

AACSB: Analytical Thinking

Blooms: Understand

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 2 Medium

Topic: Pay-for-Performance Systems

110. Explain human resource planning and evidence-based HR. How do these concepts help HR in supporting an organization's strategy?

Human resource planning involves identifying the numbers and types of employees an organization will require in order to meet its objectives. Using these estimates, the human resource department helps the organization forecast its needs for hiring, training, and reassigning employees. Planning also may show that the organization will need fewer employees to meet anticipated needs. In that situation, human resource planning includes how to handle or avoid layoffs. Human resource planning provides important information for talent management—a systematic, planned effort to attract, retain, develop, and motivate highly skilled employees and managers. When managers are clear about the kinds of people they will need to achieve the organization's goals, talent management combines recruiting, selection, training, and motivational practices to meet those needs. Approaching these tasks in terms of talent management is one way HR managers are making the link to organizational strategy.

Evidence-based HR refers to demonstrating that human resource practices have a positive influence on the company's profits or key stakeholders (employees, customers, community, shareholders). This practice helps show that the money invested in HR programs, such as talent management, is justified and that HRM is contributing to the company's goals and objectives.

AACSB: Analytical Thinking

Blooms: Apply

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Describe Human Resource Planning and the Categories of HRM Activities

111. In an organization with a sustainable strategy, human resource departments focus on employee development and empowerment rather than short-term costs. Define the typical stakeholders in an organization. Then explain how sustainability positively affects both a company and its stakeholders.

Stakeholders are all the parties who have an interest in the organization's success. Typically an organization's stakeholders include shareholders, the community, customers, and employees.

Sustainability is broadly defined as an organization's ability to profit without depleting its resources, including employees, natural resources, and the support of the surrounding community. Sustainable organizations meet their needs by minimizing their environmental impact, providing high-quality products and services, ensuring workplace safety, offering fair compensation, and delivering an adequate return to investors. Sustainability delivers a strategic advantage when it boosts the organization's image with customers, opens access to new markets, and helps attract and retain talented employees. In an organization with a sustainable strategy, HR departments focus on employee development and empowerment rather than short-term costs, on long-term planning rather than smooth turnover and outsourcing, and on justice and fairness over short-term profits.

AACSB: Reflective Thinking

Blooms: Analyze

Learning Objective: 01-02 Identify the responsibilities of human resource departments.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

112. Briefly describe the nine categories of HRM competencies that the Society for Human Resource Management found to be associated with success. Provide an example of a behavior for each.

(1) Human resource expertise essentially involves understanding and carrying out the functions of human resource management. Behaviors can include the use of HR technology, applying policies and procedures, and keeping up-to-date on HR laws.

(2) Relationship management involves handling the personal interactions necessary for providing services and supporting the organization's goals. Behaviors can include treating employees respectfully, building trust, and providing great customer service to those served by HR functions.

(3) Consultation refers to the ways HR employees guide others in the organization. This can be done through behaviors such as coaching, gathering data to support business decisions, and especially at a senior level, designing solutions in support of business strategy.

(4) Leadership and navigation refer to directing the organization's processes and programs. Depending on one's level in the organization, the necessary behaviors could include behaving consistently with the organization's culture, encouraging people to collaborate, or setting a vision for the HR function or entire organization.

(5) Communication involves the skills needed to exchange information with others inside and outside the organization. Behavior examples can include expressing information clearly, providing constructive feedback, and listening effectively.

(6) Global and cultural effectiveness means valuing and considering various people's perspectives. Behaviors can include acquiring knowledge of other cultures, resolving conflicts, and supporting inclusiveness so that all can contribute to their fullest.

(7) Ethical practice involves applying integrity, accountability, and other core values. Behavior examples can include maintaining confidentiality, rewarding ethical behavior, and responding to reports of unethical conduct.

(8) Critical evaluation refers to the interpretation of information needed for making business decisions. Behaviors can include gathering relevant data, applying statistical knowledge to understand the data, and finding root causes of problems.

(9) Business acumen involves understanding how information can be used to support the organization's strategy. Behaviors can include gaining and applying knowledge of business principles and how HR functions relate to business success.

AACSB: Analytical Thinking

Blooms: Apply

Learning Objective: 01-03 Summarize the types of skills needed for human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Human Resource Managers

113. Explain why supervisors and non-HR managers are expected to be familiar with the basics of HRM. List five examples of the types of HR responsibilities supervisors are expected to perform.

Although many organizations have human resource departments, HR activities are by no means limited to HR specialists. Non-HR managers need to be familiar with the basics of HRM and their role with regard to managing human resources. In small organizations, there may be an HR specialist, but many HR activities are carried out by line supervisors. Supervisors typically have responsibilities related to all the HR functions. Organizations depend on supervisors to help them determine what kinds of work need to be done (job analysis and design) and in what quantities (HR planning). Supervisors typically interview job candidates and participate in the decisions about which candidates to hire. Many organizations expect supervisors to train employees in some or all aspects of the employees' jobs. Supervisors conduct performance appraisals and may recommend pay increases. Also, supervisors play a key role in employee relations because they are most often the voice of management for their employees, representing the company on a day-to-day basis. In all these activities, supervisors can participate in HRM by taking into consideration the ways that decisions and policies will affect their employees. Understanding the principles of communication, motivation, and other elements of human behavior can help supervisors inspire the best from the organization's human resources.

AACSB: Analytical Thinking

Blooms: Apply

Learning Objective: 01-04 Explain the role of supervisors in human resource management.

Level of Difficulty: 3 Hard

Topic: Understanding Human Resource Management

114. List and provide an example of the basic human rights suggested by the work of Immanuel Kant.

1) Right of free consent: People have the right to be treated only as they knowingly and willingly consent to be treated. An example that applies to employees would be that employees should know the nature of the job they are being hired to do; the employer should not deceive them.

2) Right of privacy: People have the right to do as they want in their private lives, and they have the right to control what they reveal about their private activities. One way an employer respects this right is by keeping employees' personal records confidential.

3) Right of freedom of conscience: People have the right to refuse to do what violates their moral beliefs, as long as these beliefs reflect commonly accepted norms. A supervisor who demands that an employee do something that is unsafe or environmentally damaging may be violating this right if the task conflicts with the employee's values. (Such behavior could be illegal as well as unethical.)

4) Right of freedom of speech: People have the right to criticize an organization's ethics, if they do so in good conscience and their criticism does not violate the rights of individuals in the organization. Many organizations address this right by offering hot lines or policies and procedures designed to handle complaints from employees.

5) Right to due process: If people believe their rights are being violated, they have the right to a fair and impartial hearing. Congress has addressed this right in some circumstances by establishing agencies to hear complaints when employees believe their employer has not provided a fair hearing. For example, the Equal Employment Opportunity Commission may prosecute complaints of discrimination if it believes the employer did not fairly handle the problem.

AACSB: Analytical Thinking

Blooms: Apply

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 3 Hard

Topic: The Role of Ethics in Human Resource Management

115. List the four principles followed by ethical, successful companies.

Ethical, successful companies act according to four principles. First, in their relationships with customers, vendors, and clients, ethical and successful companies emphasize mutual benefits. Second, employees assume responsibility for the actions of their company. Third, such companies have a sense of purpose or vision that employees value and use in their day-to-day work. Finally, they emphasize fairness; that is, another person's interests count as much as their own.

AACSB: Analytical Thinking

Blooms: Remember

Learning Objective: 01-05 Discuss ethical issues in human resource management.

Level of Difficulty: 1 Easy

Topic: The Role of Ethics in Human Resource Management

116. How would you describe a career in human resource management? Cite the type of positions available, degree requirements, the nature of the work, and salary levels.

There are many different types of jobs in the HRM profession. Some HRM positions are director of human resources, human resource information system supervisor, HR generalist, campus recruiter, human resource assistant, and HR service center representative. The salaries vary depending on education and experience, as well as the type of industry in which a person works. Some positions involve work in specialized areas of HRM such as recruiting, training, or labor and industrial relations. Usually, HR generalists earn between \$50,000 and \$80,000, depending on their experience and education level. Generalists usually perform the full range of HRM activities, including recruiting, training, compensation, and employee relations. The vast majority of HRM professionals have a college degree, and many also have completed postgraduate work. The typical field of study is business (especially human resources or industrial relations), but some HRM professionals have degrees in the social sciences (economics or psychology), the humanities, and law programs. Those who have completed graduate work have master's degrees in HR management, business management, or a similar field. A well-rounded educational background will serve a person well in an HRM position. Some HRM professionals have a professional certification in HRM, but many more are members of professional associations such as the Society for Human Resource Management.

AACSB: Analytical Thinking

Blooms: Understand

Learning Objective: 01-06 Describe typical careers in human resource management.

Level of Difficulty: 2 Medium

Topic: Career Categories