

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. Current federal laws fail to outline how to use employee databases in order to protect employees' privacy while also meeting employers' and society's concern for security.

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. An HR professional can be an effective talent manager or organizational designer only when he has the knowledge of how an organization is structured and how that structure might be adjusted to help it meet its goals for developing and using employees' talents.

True False

16. Being able to influence people and build interpersonal relationships is an important characteristic of a successful HR professional.

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 (SHRM) is the primary professional organization for HRM and the world's largest human resource management association.

True False

Multiple Choice Questions

26. The policies, practices, and systems that influence employees' behavior, attitudes, and performance are important dimensions of:

- A. supply chain management.
- B. materials management.
- C. human resource management.
- D. labor laws.
- E. employment laws.

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 valuable advantage?

- A. They hire highly skilled and knowledgeable employees who are commonly available.
- B. They can inspire the organization to easily duplicate the success of competitors.
- C. They can help the organization to develop strong commitment toward its employees.
- 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 but lack 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, but they are the source of a company's success or failure.
- B. Employees have good substitutes as they 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 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. Identify the 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

35. 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

36. In a recent trend, some companies are doing away with their human resource (HR) 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.
37. Jonathan is a part of the HR department in an advertising firm. During a performance review, Jonathan realized he does not know the details of the job performed by a certain group of employees. However, he proceeds with the review and evaluates their performance. Which of the following is most likely to have occurred after the performance review?
- A. The outcome was easier to evaluate than the specific behaviors of the employees.
 - B. The outcome was difficult to evaluate because Jonathan did not have the employees' job details.
 - C. The performance review was deemed redundant because Jonathan did not know the details of the employees' jobs.
 - D. Jonathan did not have enough data to complete the performance review because he did not have the employees' job details.
 - E. Jonathan was unable to evaluate the specific behaviors of the employees.

38. 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 (HRM) practices is being performed by Edgar?
- A. Performance management
 - B. Employee relations
 - C. Selection
 - D. Training
 - E. Compensation
39. Joshua, the human resource (HR) 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.

40. Ryan filed a lawsuit against his previous employer because he was fired without warning. Which of the following events most likely compelled Ryan to file the lawsuit?

- A. He was not promoted to the new position that was initially promised to him.
- B. He was asked to move to a different department within the same company.
- C. Ryan was asked to take a pay cut to keep his job.
- D. Ryan was fired from the company without prior notice.
- E. Ryan was forced to serve his probationary period of three months before leaving the company.

41. 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.

42. 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.
43. 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 (HRM) practices is being performed by Julie?
- A. Performance management
 - B. Employee relations
 - C. Selection
 - D. Training
 - E. Compensation

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

- A. Performance management
- B. Employee relations
- C. Selection
- D. Training
- E. Compensation

45. Olivia works in the human resource (HR) department at Hercules Corp. Her chief responsibilities include administering salaries, determining incentives, managing group insurance and employee vacation and leave. Identify the human resource management (HRM) function being performed by Olivia.

- A. Performance management
- B. Employee relations
- C. Selection
- D. Training and development
- E. Compensation and benefits

46. 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

47. 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

48. Joanna, a local farmer, is affected by the operations of Wooster Inc. because she buys the products manufactured by the company. This indicates that Joanna is a _____.

- A. stakeholder
- B. change steward
- C. strategic architect
- D. business ally
- E. strategic partner

49. Ellie is a human resource (HR) manager at Harris Corp. She has the greatest impact on the firm's success. She is highly admired and respected by others in the organization because she is extremely reliable. This scenario indicates that Ellie is a _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally
- E. strategic partner

50. Jacob is the human resource (HR) manager at Platinum Corp. He clearly understands the values, beliefs, convictions, vision, and mission of the company. He also enhances and modifies these aspects by understanding their significance. This scenario indicates that Jacob is a _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally
- E. strategic partner

51. Reese, the human resource (HR) manager at Axis Inc., clearly understands how individuals join the firm, get used to its values, and reach various positions within the company. She is also aware of the organizational structure and suggests measures to modify the structure in order to attain the firm's goals. This indicates that Reese is a _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. talent manager/organizational designer
- E. strategic partner

52. Nikita heads the human resource (HR) team at Strait Corp., a marketing firm. She has knowledge about how the firm earns revenues, about its clients and their requirements, and why the clients rely on the firm's services. This scenario illustrates Nikita's skills as a(n) _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally
- E. organizational designer

53. Charles heads the human resource (HR) department at Schultz Inc. He is always aware of the various trends in the business environment and how they may have an impact on the operations of the company. In addition, he knows how to grab opportunities and deal with threats that can arise from the changing business environment. This scenario illustrates Charles's skills as a(n) _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally
- E. organizational designer

54. Heather is an HR specialist at McCoy Manufacturing, where she is responsible for making sure HR policies and transactions deliver results on a companywide basis by acquiring, developing, motivating, and deploying human resources. This scenario illustrates Heather's skills as a(n) _____.

- A. business ally
- B. operational executor
- C. strategic architect
- D. talent manager
- E. cultural and change steward

55. Craig, one of the senior managers at Clayton Inc., insisted 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.
56. Kathleen is a member of the human resource (HR) department at Jade Corp. She had set a goal to enhance the firm's strategy. She worked to attain it by understanding the current resources and by attracting new resources according to requirements. However, her strategic ideas did not lead to effective results. Which of the following, if true, would imply the reason for Kathleen's failure in attaining her goal?
- A. Kathleen did not set precisely the same job roles at Jade as other organizations.
 - B. Kathleen did not make an attempt to understand Jade's business, its industry, and its competitors.
 - C. Kathleen emphasized the use of broadly defined jobs.
 - D. Kathleen evaluated performance of an employee without being familiar with the details of the job.
 - E. Kathleen developed a strategy to make profits without depleting the firm's resources, including employees and natural resources.

57. Fiona, a manager at Norman Corp., was responsible for workforce analytics in the organization. Her supervisor, Martin, argued that it was an unnecessary expense as he believed that collecting employee-related information was 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.

58. 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 providing the needed human resources to the company and understanding the existing ones
- E. By answering questions on employee hiring and benefits

59. 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

60. 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.

61. 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

62. 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

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

- A. Orientation
- B. Training
- C. Recruitment
- D. Work analysis
- E. Job design

64. 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

65. 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
66. The HR function of _____ 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.
- A. recruitment
 - B. personnel policy
 - C. development
 - D. employee relations
 - E. selection
67. 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

68. 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

69. 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

70. 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 to 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
71. 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
72. Some of the employees of RVZ Services were unhappy with their supervisor's comments and remarks. They felt that they were unduly being discriminated against by the supervisor. They turned 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.

73. 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.

74. 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.

75. _____ 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

76. 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.

77. 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

78. 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

79. 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

80. The parties with an interest in a company's success—typically, shareholders, the community, customers, and employees—constitute the _____ of the company.

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

81. 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.

82. An HR manager becomes a(n) _____ when he or she understands an organization's culture and helps to build and strengthen or change that culture by identifying and expressing its values through words and actions.

- A. administrator
- B. cultural steward
- C. recruitment manager
- D. operational aide
- E. trainer

83. A human resource (HR) professional of a company exhibits his or her skills as a(n) _____ when he or she knows how the company makes money, who its customers are, and why customers buy what the company sells.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally
- E. organizational designer

84. In the role of a cultural steward, an HR manager primarily:
- A. administers day-to-day work of managing people.
 - B. facilitates an organization's culture and helps to build and strengthen or change that culture.
 - C. develops people strategies to control attrition rates.
 - D. understands how the business makes money.
 - E. recognizes business trends and their impact on the business.
85. Hugh, HR manager at Brent & Sons Corp., keeps himself informed about the changing business trends and how they might have an impact on his firm. His capability allows the company to effectively organize its human resources and seize any opportunity for business expansion. Which role of an HR manager is Hugh playing in this scenario?
- A. Cultural steward
 - B. Talent manger
 - C. Credible activist
 - D. Operational executor
 - E. Strategic architect
86. As a _____, an HR professional should know the ways that people join an organization and move to different positions within it.
- A. strategy architect
 - B. cultural steward
 - C. talent manager
 - D. business ally
 - E. credible activist

87. At the most basic level, HR managers fulfilling the role of a(n) _____, carry out particular HR functions such as handling the selection, training, or compensation of employees.

- A. business ally
- B. cultural steward
- C. talent managers or organizational designer
- D. operational executor
- E. credible activist

88. Select the correct statement about 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.

89. Which of the following is true of ethics in human resource management (HRM)?

- 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 argues in favor of Michelle's practice over that of Jarvis's practice?

- A. It enables her to keep a tab on the grapevine communication in the company.
- B. It engages the employees to express 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 is an example of 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. People's right of privacy is the right to:

- A. know the nature of the job they are being hired for.
- B. autonomy in how they carry out their work.
- C. control what they reveal 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 the 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. This scenario indicates that Kurt used 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. Identify the correct statement regarding 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. Citrus Fruits Inc., a beverages company, was shut down because of public allegations about the quality of its products. After a period of 10 years, the former CEO of the company decided to start up the company again. Analyzing the situation, what measures should the revamped company undertake in order to emerge successful?

- A. Hire more employees
- B. Provide low wages and salaries
- C. Improve the quality and ethics in production
- D. Use more vendors and suppliers
- E. Enhance its customer services department

103. When Ulysses Corp., a travel insurance company, introduced new goals for internal management, there was a rift in the management regarding their implementation. Group A emphasized achieving short-term goals, while Group B believed in introducing policies that created a more efficient employee-management relationship. Which of the following results would prove Group B's decision to be ideal?

- A. A loss in the financial statement of the particular year
- B. More employees resigning their jobs
- C. An increase in the cost of production
- D. Employee surveys showing higher levels of engagement with the company
- E. An increasing employee agitation regarding the management policies of the company

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 most common feature of a majority of professionals in the field.
- D. Usually, HR generalists get paid substantially more than HR specialists.
- E. HR generalists usually perform the full range of HRM activities.

105. The _____ is the primary professional organization for HRM that provides education and information services, and it is the world's largest human resource management association.

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

Essay Questions

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

107. List five important responsibilities of HR, 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 (HR) departments focus on employee development and empowerment rather than short-term costs. Reflect on this statement with an example.

112. Briefly describe six competencies required for HR professionals.

113. What are the HR responsibilities of supervisors? Explain.

114. List and discuss the basic human rights suggested by the work of Immanuel Kant, as well as the tradition of the Enlightenment.

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

116. How would you describe a career in human resource management (HRM)? 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: Human Resources and Company Performance

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: Human Resources and Company Performance

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: Human Resources and Company Performance

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: Human Resources and Company Performance

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: Responsibilities of Human Resource Departments

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: Responsibilities of Human Resource Departments

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: Responsibilities of Human Resource Departments

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: Responsibilities of Human Resource Departments

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

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. Human resource personnel may teach policies by giving presentations at meetings, posting documents online, writing e-mail messages, setting up social-media pages for employees, and in many other ways.

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: Responsibilities of Human Resource Departments

11. Current federal laws fail to outline how to use employee databases in order to protect employees' privacy while also meeting employers' and society's concern for security.

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: Remember

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

Level of Difficulty: 1 Easy

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: Responsibilities of Human Resource Departments

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: Responsibilities of Human Resource Departments

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: Responsibilities of Human Resource Departments

15. An HR professional can be an effective talent manager or organizational designer only when he has the knowledge of how an organization is structured and how that structure might be adjusted to help it meet its goals for developing and using employees' talents.

TRUE

As a talent manager or organizational designer, an HR manager knows the ways that people join the organization and move to different positions within it. To do this effectively requires knowledge of how the organization is structured and how that structure might be adjusted to help it meet its goals for developing and using employees' talents.

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: Skills of HRM Professionals

16. Being able to influence people and build interpersonal relationships is an important characteristic of a successful HR professional.

TRUE

All the basic competencies for HR profession require interpersonal skills. Successful HR professionals must be able to share information, build relationships, and influence persons inside and outside a company.

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: Skills of HRM Professionals

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: HR Responsibilities of Supervisors

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 all these 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: HR Responsibilities of Supervisors

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: 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: 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: 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: 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: Careers in 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: Careers in Human Resource Management

25. The Society for Human Resource Management (SHRM) 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: Careers in Human Resource Management

Multiple Choice Questions

26. The policies, practices, and systems that influence employees' behavior, attitudes, and performance are important dimensions of:

- A. supply chain management.
- B. materials management.
- C. human resource management.
- D. labor laws.
- E. employment laws.

Human resource management (HRM) comprises the policies, practices, and systems that influence employees' behavior, attitudes, and performance. Many companies refer to HRM as involving "people practices."

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: Human Resources and Company 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: Human Resources and Company Performance

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: Human Resources and Company Performance

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: Human Resources and Company Performance

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

- A. They hire highly skilled and knowledgeable employees who are commonly available.
- B. They can inspire the organization to easily duplicate the success of competitors.
- C. They can help the organization to develop strong commitment toward its employees.
- 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 but lack job experience and training.

Human resource professionals provide companies with a sustainable competitive advantage because they are valuable, rare, inimitable, and irreplaceable. Human resources are valuable because high-quality employees provide a needed service as they perform many critical functions.

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: Human Resources and Company Performance

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, but they are the source of a company's success or failure.
- B. Employees have good substitutes as they 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: Human Resources and Company Performance

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: Human Resources and Company Performance

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 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: Human Resources and Company Performance

34. Identify the 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: Responsibilities of Human Resource Departments

35. 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.

Level of Difficulty: 1 Easy

Topic: Responsibilities of Human Resource Departments

36. In a recent trend, some companies are doing away with their human resource (HR) 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 of differences in organization sizes and characteristics of the workforce, the industry, and management's values. And, 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: Responsibilities of Human Resource Departments

37. Jonathan is a part of the HR department in an advertising firm. During a performance review, Jonathan realized he does not know the details of the job performed by a certain group of employees. However, he proceeds with the review and evaluates their performance. Which of the following is most likely to have occurred after the performance review?
- A. The outcome was easier to evaluate than the specific behaviors of the employees.
 - B. The outcome was difficult to evaluate because Jonathan did not have the employees' job details.
 - C. The performance review was deemed redundant because Jonathan did not know the details of the employees' jobs.
 - D. Jonathan did not have enough data to complete the performance review because he did not have the employees' job details.
 - E. Jonathan was unable to evaluate the specific behaviors of the employees.

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. In this case, Jonathan completed the review and evaluated the performance of a certain group of employees though he did not know the details of the jobs performed by them. He would have found it easier to evaluate the outcome than the specific behaviors of the employees.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

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

Level of Difficulty: 3 Hard

Topic: Responsibilities of Human Resource Departments

38. 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 (HRM) 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: Responsibilities of Human Resource Departments

39. Joshua, the human resource (HR) 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. It 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: Responsibilities of Human Resource Departments

40. Ryan filed a lawsuit against his previous employer because he was fired without warning. Which of the following events most likely compelled Ryan to file the lawsuit?

- A. He was not promoted to the new position that was initially promised to him.
- B. He was asked to move to a different department within the same company.
- C. Ryan was asked to take a pay cut to keep his job.
- D. Ryan was fired from the company without prior notice.
- E. Ryan was forced to serve his probationary period of three months before leaving the company.

As companies are forced to close facilities and lay off employees because of economic or competitive conditions, 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. In this case, Ryan was fired from the company without prior notice.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

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

Level of Difficulty: 3 Hard

Topic: Responsibilities of Human Resource Departments

41. 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: Responsibilities of Human Resource Departments

42. 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: Responsibilities of Human Resource Departments

43. 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 (HRM) 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: Responsibilities of Human Resource Departments

44. Nicole, an employee at Neo Corp., develops and distributes newsletters that announce upcoming events in the company. Which of the following human resource management (HRM) 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: Responsibilities of Human Resource Departments

45. Olivia works in the human resource (HR) department at Hercules Corp. Her chief responsibilities include administering salaries, determining incentives, managing group insurance and employee vacation and leave. Identify the human resource management (HRM) function 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. Refer to Table 1.1.

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: Responsibilities of Human Resource Departments

46. 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: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

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

Level of Difficulty: 3 Hard

Topic: Responsibilities of Human Resource Departments

47. 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: Responsibilities of Human Resource Departments

48. Joanna, a local farmer, is affected by the operations of Wooster Inc. because she buys the products manufactured by the company. This indicates that Joanna is a _____.

- A. stakeholder
- B. change steward
- C. strategic architect
- D. business ally
- 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 has an interest in the success of Wooster Inc. because she purchases products from 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: Responsibilities of Human Resource Departments

49. Ellie is a human resource (HR) manager at Harris Corp. She has the greatest impact on the firm's success. She is highly admired and respected by others in the organization because she is extremely reliable. This scenario indicates that Ellie is a _____.

- A. cultural and change steward
- B. credible activist**
- C. strategic architect
- D. business ally
- E. strategic partner

In this case, Ellie is a credible activist. Credible activists are so well respected in an organization that they can influence the positions taken by managers. HR professionals who are competent in this area have the most influence over the organization's success, but to build this competency, they have to gain credibility by mastering all the others.

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: Skills of HRM Professionals

50. Jacob is the human resource (HR) manager at Platinum Corp. He clearly understands the values, beliefs, convictions, vision, and mission of the company. He also enhances and modifies these aspects by understanding their significance. This scenario indicates that Jacob is a _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally
- E. strategic partner

In this scenario, Jacob is a cultural and change steward. As such, he understands the organization's culture and helps to build and strengthen or change that culture by identifying and expressing its values through words and actions.

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: Skills of HRM Professionals

51. Reese, the human resource (HR) manager at Axis Inc., clearly understands how individuals join the firm, get used to its values, and reach various positions within the company. She is also aware of the organizational structure and suggests measures to modify the structure in order to attain the firm's goals. This indicates that Reese is a _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. talent manager/organizational designer
- E. strategic partner

In this scenario, Reese is a talent manager/organizational designer. Members of an HR department who are talent managers or organizational designers know the ways that people join an organization and move to different positions within it. To do this effectively requires knowledge of how the organization is structured and how that structure might be adjusted to help it meet its goals for developing and using employees' talents.

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: Skills of HRM Professionals

52. Nikita heads the human resource (HR) team at Strait Corp., a marketing firm. She has knowledge about how the firm earns revenues, about its clients and their requirements, and why the clients rely on the firm's services. This scenario illustrates Nikita's skills as a(n) _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally**
- E. organizational designer

This scenario illustrates Nikita's skills as a business ally. Members of an HR department who are business allies know how the business makes money, who its customers are, and why customers buy what the company sells.

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: Skills of HRM Professionals

53. Charles heads the human resource (HR) department at Schultz Inc. He is always aware of the various trends in the business environment and how they may have an impact on the operations of the company. In addition, he knows how to grab opportunities and deal with threats that can arise from the changing business environment. This scenario illustrates Charles's skills as a(n) _____.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally
- E. organizational designer

This scenario illustrates Charles's skills as a strategic architect. Members of an HR department who are strategic architects require awareness of business trends and an understanding of how they might affect the business, as well as opportunities and threats they might present. A person with this capability spots ways effective management of human resources can help the company seize opportunities and confront threats to the business.

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: Skills of HRM Professionals

54. Heather is an HR specialist at McCoy Manufacturing, where she is responsible for making sure HR policies and transactions deliver results on a companywide basis by acquiring, developing, motivating, and deploying human resources. This scenario illustrates Heather's skills as a(n)

_____.

- A. business ally
- B. operational executor**
- C. strategic architect
- D. talent manager
- E. cultural and change steward

This scenario illustrates Heather's skills as an operational executor. This competency requires HR employees to carry out particular HR functions, such as handling the selection, training, or compensation of employees and communicating through a variety of media. All of the other HR skills require some ability as operational executor, because this is the level at which policies and transactions deliver results by legally, ethically, and efficiently acquiring, developing, motivating, and deploying human resources.

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: Skills of HRM Professionals

55. Craig, one of the senior managers at Clayton Inc., insisted 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 insisted that the supervisors of Clayton Inc. handle employee relations because they represent the company on a day-to-day basis. Supervisors play a key role in employee relations because they are most often the voice of management for their employees, representing 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: HR Responsibilities of Supervisors

56. Kathleen is a member of the human resource (HR) department at Jade Corp. She had set a goal to enhance the firm's strategy. She worked to attain it by understanding the current resources and by attracting new resources according to requirements. However, her strategic ideas did not lead to effective results. Which of the following, if true, would imply the reason for Kathleen's failure in attaining her goal?
- A. Kathleen did not set precisely the same job roles at Jade as other organizations.
 - B. Kathleen did not make an attempt to understand Jade's business, its industry, and its competitors.**
 - C. Kathleen emphasized the use of broadly defined jobs.
 - D. Kathleen evaluated performance of an employee without being familiar with the details of the job.
 - E. Kathleen developed a strategy to make profits without depleting the firm's resources, including employees and natural resources.

One way to define the responsibilities of HR departments is to think of HR as a business within the company with three product lines. One of them is being a strategic partner. It 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. In this case, Kathleen's strategic ideas were not effective because she did not make an attempt to understand Jade's business, its industry, and its competitors.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

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

Level of Difficulty: 3 Hard

Topic: Responsibilities of Human Resource Departments

57. Fiona, a manager at Norman Corp., was responsible for workforce analytics in the organization. Her supervisor, Martin, argued that it was an unnecessary expense as he believed that collecting employee-related information was 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: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Analyze

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

Level of Difficulty: 3 Hard

Topic: Responsibilities of Human Resource Departments

58. 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 providing the needed human resources to the company and understanding the existing 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 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: Understand

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

Level of Difficulty: 2 Medium

Topic: Responsibilities of Human Resource Departments

59. 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: Responsibilities of Human Resource Departments

60. 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: Responsibilities of Human Resource Departments

61. 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: Responsibilities of Human Resource Departments

62. 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 more use of 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: Responsibilities of Human Resource Departments

63. 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

Topic: Responsibilities of Human Resource Departments

64. 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: Responsibilities of Human Resource Departments

65. 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: Responsibilities of Human Resource Departments

66. The HR function of _____ 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.

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

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: Responsibilities of Human Resource Departments

67. 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: Training and Developing Employees

68. 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: Responsibilities of Human Resource Departments

69. 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: Responsibilities of Human Resource Departments

70. 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 to 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: Responsibilities of Human Resource Departments

71. 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 Web site 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: Responsibilities of Human Resource Departments

72. Some of the employees of RVZ Services were unhappy with their supervisor's comments and remarks. They felt that they were unduly being discriminated against by the supervisor. They turned 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: Responsibilities of Human Resource Departments

73. 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: Responsibilities of Human Resource Departments

74. 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.

Level of Difficulty: 2 Medium

Topic: Responsibilities of Human Resource Departments

75. _____ 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: Responsibilities of Human Resource Departments

76. 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: Responsibilities of Human Resource Departments

77. 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: Responsibilities of Human Resource Departments

78. 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: Responsibilities of Human Resource Departments

79. 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. It is a way of seeking 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: Responsibilities of Human Resource Departments

80. The parties with an interest in a company's success—typically, shareholders, the community, customers, and employees—constitute the _____ 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: Responsibilities of Human Resource Departments

81. 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: Responsibilities of Human Resource Departments

82. An HR manager becomes a(n) _____ when he or she understands an organization's culture and helps to build and strengthen or change that culture by identifying and expressing its values through words and actions.

- A. administrator
- B. cultural steward**
- C. recruitment manager
- D. operational aide
- E. trainer

An HR manager becomes a cultural steward when he or she understands the organization's culture and helps to build and strengthen or change that culture by identifying and expressing its values through words and actions.

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: Skills of HRM Professionals

83. A human resource (HR) professional of a company exhibits his or her skills as a(n) _____ when he or she knows how the company makes money, who its customers are, and why customers buy what the company sells.

- A. cultural and change steward
- B. credible activist
- C. strategic architect
- D. business ally**
- E. organizational designer

Members of an HR department need to be business allies. They should know how the business makes money, who its customers are, and why customers buy what the company sells.

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: Skills of HRM Professionals

84. In the role of a cultural steward, an HR manager primarily:

- A. administers day-to-day work of managing people.
- B. facilitates an organization's culture and helps to build and strengthen or change that culture.**
- C. develops people strategies to control attrition rates.
- D. understands how the business makes money.
- E. recognizes business trends and their impact on the business.

For an HR manager, being a cultural steward involves understanding an organization's culture and helping to build and strengthen or change that culture by identifying and expressing its values through words and actions. In this role, he or she facilitates change, develops and values the culture, and helps employees navigate the culture by helping them to find meaning in their work, manage work or life balance, encourages innovation, and so on.

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: Skills of HRM Professionals

85. Hugh, HR manager at Brent & Sons Corp., keeps himself informed about the changing business trends and how they might have an impact on his firm. His capability allows the company to effectively organize its human resources and seize any opportunity for business expansion. Which role of an HR manager is Hugh playing in this scenario?

- A. Cultural steward
- B. Talent manger
- C. Credible activist
- D. Operational executor
- E. Strategic architect

In this scenario, Hugh is playing the role of a strategic architect. An HR manager in the role of a strategic architect needs to be aware of business trends and should have an understanding of how they might affect the business, as well as opportunities and threats they might present. A person with this capability spots ways effective management of human resources can help the company seize opportunities and confront threats to the business.

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: Skills of HRM Professionals

86. As a _____, an HR professional should know the ways that people join an organization and move to different positions within it.

- A. strategy architect
- B. cultural steward
- C. talent manager
- D. business ally
- E. credible activist

In the role of a talent manager or an organizational designer, an HR professional knows the ways that people join an organization and move to different positions within it. To do this effectively requires knowledge of how the organization is structured and how that structure might be adjusted to help it meet its goals for developing and using employees' talents.

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: Skills of HRM Professionals

87. At the most basic level, HR managers fulfilling the role of a(n) _____, carry out particular HR functions such as handling the selection, training, or compensation of employees.

- A. business ally
- B. cultural steward
- C. talent managers or organizational designer
- D. operational executor
- E. credible activist

At the most basic level, HR managers fulfilling the role of operational executors, carry out particular HR functions such as handling the selection, training, or compensation of employees. All of the other HR skills require some ability as operational executor, because this is the level at which policies and transactions deliver results by legally, ethically, and efficiently acquiring, developing, motivating, and deploying human resources.

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: Skills of HRM Professionals

88. Select the correct statement about 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: HR Responsibilities of Supervisors

89. Which of the following is true of ethics in human resource management (HRM)?

- 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. Business decisions, including HRM decisions, should be ethical, but the evidence suggests that is not always what happens. Many ethical issues in the workplace involve human resource management.

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: 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: 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.

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: 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 argues in favor of Michelle's practice over that of Jarvis's practice?

- A. It enables her to keep a tab on the grapevine communication in the company.
- B. It engages the employees to express 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: Ethics in Human Resource Management

93. Which of the following is an example of 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: 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: Ethics in Human Resource Management

95. People's right of privacy is the right to:

- A. know the nature of the job they are being hired for.
- B. autonomy in how they carry out their work.
- C. control what they reveal 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

Topic: Ethics in Human Resource Management

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: 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 the 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 the 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. Many organizations address this right by offering hot lines or policies and procedures designed to handle complaints from employees.

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: 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. This scenario indicates that Kurt used his right of _____.

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

In the above example, Kurt used his right of freedom of conscience. According to the work of the philosopher Immanuel Kant, every person has certain basic rights. One of them is 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: 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: Ethics in Human Resource Management

100. Identify the correct statement regarding 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: 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: Ethics in Human Resource Management

102. Citrus Fruits Inc., a beverages company, was shut down because of public allegations about the quality of its products. After a period of 10 years, the former CEO of the company decided to start up the company again. Analyzing the situation, what measures should the revamped company undertake in order to emerge successful?

- A. Hire more employees
- B. Provide low wages and salaries
- C. Improve the quality and ethics in production
- D. Use more vendors and suppliers
- E. Enhance its customer services department

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. In this case, Citrus Fruits Inc. should improve quality and ethics in production and employees be mindful of the importance of quality in their daily activities.

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: Ethics in Human Resource Management

103. When Ulysses Corp., a travel insurance company, introduced new goals for internal management, there was a rift in the management regarding their implementation. Group A emphasized achieving short-term goals, while Group B believed in introducing policies that created a more efficient employee-management relationship. Which of the following results would prove Group B's decision to be ideal?

- A. A loss in the financial statement of the particular year
- B. More employees resigning their jobs
- C. An increase in the cost of production
- D. Employee surveys showing higher levels of engagement with the company
- E. An increasing employee agitation regarding the management policies of 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. In this scenario, an employee survey showing higher levels of trust in managers and engagement with the company would establish that the decision of Group B is ideal.

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: 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 most common feature of a majority of professionals in the field.
- D. Usually, HR generalists get paid substantially more than HR specialists.
- 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: Careers in Human Resource Management

105. The _____ is the primary professional organization for HRM that provides education and information services, and it is the world's largest human resource management association.

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

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: Careers in Human Resource Management

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 requires one would have to first figure out which employees are providing the advantage and how, then recruit people who can do precisely the same thing, and set up the systems that 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 resources to substitute the committed and talented employees.

AACSB: Analytical Thinking

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: Human Resources and Company Performance

107. List five important responsibilities of HR, 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: Responsibilities of Human Resource Departments

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: Responsibilities of Human Resource Departments

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. 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: Responsibilities of Human Resource Departments

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 is justified and that HRM is contributing to the company's goals and objectives. As part of its strategic role, one of the key contributions HR can make is to engage in evidence-based HR.

AACSB: Analytical Thinking

Blooms: Understand

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

Level of Difficulty: 2 Medium

Topic: Responsibilities of Human Resource Departments

111. In an organization with a sustainable strategy, human resource (HR) departments focus on employee development and empowerment rather than short-term costs. Reflect on this statement with an example.

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. For example, a company should focus on training its employees and empowering the employees to be responsible for their work. The employees should reach a level where they can take decisions on their own. Even though this might result in increased costs in the short term, it can result in an increase in profits for the company in the long run.

AACSB: Reflective Thinking

Blooms: Analyze

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

Level of Difficulty: 3 Hard

Topic: Responsibilities of Human Resource Departments

112. Briefly describe six competencies required for HR professionals.

Members of an HR department need to be: 1) Credible activists: This means being so well respected in the organization that one can influence the positions taken by managers. 2) Cultural steward: This involves understanding the organization's culture and helping to build and strengthen or change that culture by identifying and expressing its values through words and actions. 3) Talent manager or organizational designer: The HR manager must know the ways that people join the organization and move to different positions within it. To do this effectively requires knowledge of how the organization is structured and how that structure might be adjusted to help it meet its goals for developing and using employees' talents. 4) Strategy architect: This requires awareness of business trends and an understanding of how they might affect the business, as well as opportunities and threats they might present. 5) Business allies: HR managers must know how the business makes money, who its customers are, and why customers buy what the company sells. 6) Operational executors: At the most basic level, they carry out particular HR functions such as handling the selection, training, or compensation of employees, and communicating through a variety of media. All of the other HR skills require some ability as operational executor, because this is the level at which policies and transactions deliver results by legally, ethically, and efficiently acquiring, developing, motivating, and deploying human resources.

AACSB: Analytical Thinking

Blooms: Remember

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

Level of Difficulty: 1 Easy

Topic: Skills of HRM Professionals

113. What are the HR responsibilities of supervisors? Explain.

Although many organizations have human resource departments, HR activities are by no means limited to HR specialists. 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. 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: Understand

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

Level of Difficulty: 2 Medium

Topic: HR Responsibilities of Supervisors

114. List and discuss the basic human rights suggested by the work of Immanuel Kant, as well as the tradition of the Enlightenment.

A widely adopted understanding of human rights, based on the work of the philosopher Immanuel Kant, as well as the tradition of the Enlightenment, assumes that in a moral universe, every person has certain basic rights:

- 1) Right of free consent: People have the right to be treated only as they knowingly and willingly consent to be treated.
- 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.
- 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.
- 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.
- 5) Right to due process: If people believe their rights are being violated, they have the right to a fair and impartial hearing.

One way to think about ethics in business is that the morally correct action is the one that minimizes encroachments on and avoids violations of these rights.

AACSB: Analytical Thinking

Blooms: Understand

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

Level of Difficulty: 2 Medium

Topic: 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: Ethics in Human Resource Management

116. How would you describe a career in human resource management (HRM)? 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 (SHRM).

AACSB: Analytical Thinking

Blooms: Understand

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

Level of Difficulty: 2 Medium

Topic: Careers in Human Resource Management