

Student name: _____

TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.

1) The media generally report employment issues from the perspective of a typical worker, as opposed to the consumer or business leader's perspective.

- true
- false

2) The number of strikes in the U.S. is actually much higher than typically portrayed by the media.

- true
- false

3) Media portrayals of unions refute stereotypes that unions are corrupt, motivated by greed, and protect mostly unproductive and poor employees.

- true
- false

4) The labor problem can be defined as undesirable outcomes created out of an employment relationship which is inequitable, contentious, and exploitive.

- true
- false

5) The labor problem is characterized by long hours, low wages, unsafe working conditions and job insecurity stemming from management's ability to exploit and oppress workers.

- true
- false

6) Despite the poor working conditions and low wages, one safeguard that employees had in the early part of the 20th century, was stability in employment because employers needed a legal reason to fire someone.

- true
- false

7) Mass manufacturing can be blamed for some of the labor problems that existed in the early 20th century U.S. labor markets.

- true
- false

8) The intellectual foundations of the U.S. system of labor relations come from the human resource management school of thought.

- true
- false

9) The neoliberal perspective holds that efficiency, equity and voice in the employment relationship are maintained through competitive markets which lead to a fair price where labor is paid equal to the value of its contribution.

- true
- false

10) As long as competition exists in a market, the neoliberal school of thought would suggest that there is no labor problem even if wages are low, work hours are long, etc.

- true
- false

11) According to the neoliberal school of thought, unions are able to manipulate and control the supply of labor to a market just like monopolies control the supply of products to a market.

- true
- false

12) According to the neoliberal school of thought, the role of the government is to protect individual worker rights through legislation such as minimum wage laws, safety and health laws, and income protection benefits (e.g., unemployment compensation).

- true
- false

13) It is easy to understand U.S. labor law from the perspectives of the neoliberal, human resource management, and critical industrial relations schools of thought.

- true
- false

14) Proponents of the human resource management school would argue that scientific management and mass production were representative of poor management practices that contributed to the labor problem.

- true
- false

15) The solution to the labor problem, according to the human resource management school, is to align worker interests with those of the employer.

- true
- false

16) An independent union is one that has the power to elect its own leaders, and make all financial and strategic decisions regarding its operations.

- true
- false

17) The saying, "You get the union you deserve" best fits the human resources school of thought.

- true
- false

18) According to the industrial relations school, unequal bargaining power is the primary cause of the labor problem.

- true
- false

19) According to the industrial relations school, market imperfections create a significant imbalance of power to the point that employers can exercise a vast degree of control and influence over their employees.

- true
- false

20) Proponents of the industrial relations school of thought, are concerned with finding ways to increase workers' bargaining power through collective bargaining.

- true
- false

21) The underlying theme of the critical industrial relations school of thought is that the class that holds the greatest power in society can dictate the rules and control institutions in ways that serve their own interests, hence keeping others from improving their lot in life.

- true
- false

22) According to the critical industrial relations school, the cause of the labor problem is that the capitalistic class has control over both society's institutions and the means of production.

- true
- false

23) From the perspective of the critical industrial relations school of thought, U.S. unions offer a model that should be imitated by other unions because it holds long term potential for eliminating class divisions.

- true
- false

24) According to the critical industrial relations school, the most successful labor unions are those that take a very pragmatic, business-like approach to bargaining for better wages, hours and working conditions.

- true
- false

25) The term "socialist" has been used widely in the mainstream press lately. Socialism describes a movement that would encourage and utilize revolution as a way to replace capitalism with worker control.

- true
- false

26) If you believe that labor cannot be treated like other commodities but that there is no inherent conflict of interest between capital owners and laborers, your beliefs are most consistent with the human resources school of thought.

- true
- false

27) The mainstream economics perspective is the only school of thought that believes that labor and management truly have equal bargaining power in the labor market.

- true
- false

28) The notion that management and labor have common goals and that there is no inherent conflict of interest between them is consistent with a unitarist view of the employment relationship.

- true
- false

29) The pluralist view of conflict in the workplace says that there are no shared interests between employers and employees in the employment relationship.

- true
- false

30) According to the industrial relations school of thought, employers' drive for higher profits conflicts with labor's desire for higher wages.

- true
- false

31) The critical industrial relations school of thought presents one underlying cause of the labor problem: poor management. According to this school, the resulting solution to the labor problem is simple: better management.

- true
- false

32) According to the critical industrial relations school, conflict between employers and employees is primarily a conflict over how to distribute the profits generated by business.

- true
- false

33) In 1904, the Nernst Lamp Co., located in Pittsburgh, PA, established a committee of employees who were assigned the task of representing other employees' concerns to management. This type of committee is an example of what is meant by the term labor union.

- true
- false

34) The key distinguishing feature separating an employee representation committee from a labor union is the fact that labor unions are elected and run completely independent of the employer and its management team.

- true
- false

35) The term "workplace rules" is meant to include rules of behavior and performance as well as rules governing compensation and benefits within a particular workplace.

- true
- false

36) Workplace governance refers to the method of ruling a particular workplace.

- true
- false

37) Workplace governance issues are generally very important to workers but have little effect on their spouses, dependents, and community.

- true
- false

38) Individual evaluations of unions as "good" or "bad" are heavily influenced by the underlying assumptions one makes about the nature of markets and employment.

- true
- false

39) In an economic system of *laissez faire*, workplace rules will favor management when labor demand is high and labor supply is low.

- true
- false

40) In the human resource management school, workplace governance is believed to belong exclusively to management. Worker input is only important to the extent that an employer chooses to allow it.

- true
- false

41) Employee stock ownership plans are an example of worker control as envisioned by a socialist perspective.

- true
- false

42) Collective bargaining is an example of a worker control governance system.

- true
- false

43) U.S. labor laws governing workplace governance systems reflect the central belief that competitive markets will produce efficient outcomes for both employers and employees.

- true
- false

44) According to the human resource management school of thought, unions are helpful because they facilitate communication between management and the workers.

- true
- false

45) According to the critical industrial relations school of thought, unions can be used as a way to suppress workers.

- true
- false

46) The neoliberal school of thought is the only one that believes that labor is just a commodity.

- true
- false

47) According to research, union workers make, on average, 15 percent more than nonunion workers.

- true
- false

48) Research suggests that unionized firms are generally less profitable than nonunionized firms, unions reduce employment growth, and unionized workers are generally less satisfied than nonunion workers. Together, these facts provide strong evidence that unions are bad for workers.

- true
- false

49) The presence of unions is usually found to decrease company profits.

- true
- false

50) Union workers tend to be less satisfied with their jobs and therefore have higher turnover rates than nonunion workers.

- true
- false

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

51) News and other media portrayals of unions and union workers tend to

- A) reinforce stereotypes of unions made up of greedy and lazy workers that engage in frequent and violent strikes.
- B) portray union workers as hard-working, self-sacrificing employees.
- C) provide a balanced view of workers and the organizations they work for.
- D) reinforce stereotypes of unions as champions of "the little guy," looking for social justice and workplace representation.

52) Which of the following is not typically considered characteristic of the labor problem of the early 1900s?

- A) Long work hours of 72 hours per week and more
- B) Unsafe and unsanitary working conditions
- C) Job insecurity and the constant fear of unemployment
- D) Pressure to compete in an information-rich economy

53) The conditions associated with the labor problem were made possible in part due to a prevailing management attitude that labor was

- A) a valued resource that should be carefully managed.
- B) an interchangeable and expendable factor of production.
- C) fully capable of speaking out for itself.
- D) well-protected by existing labor laws.

54) From a business perspective, the poor working conditions endured by workers in the early part of U.S. industrialization were most problematic because

- A) workers should have better lives than that.
- B) workers were willing to put up with anything to keep a job, thus turnover rates were too low.
- C) workers lived below the poverty line and lacked purchasing power.
- D) the government threatened to impose minimum wage and working conditions laws.

55) In a perfectly competitive labor market

- A) employees can never be paid below a subsistence level (i.e., they will always be able to make enough money to survive).
- B) no one can be made better off without making someone else worse off.
- C) employers can never make so little profit that they go out of business.
- D) both employer and workers will make enough money to survive.

56) According to the mainstream economics school of thought, market competition results in wages equal to

- A) the value of their work.
- B) product revenues.
- C) the value of a product.
- D) the price of a product.

57) In a perfectly competitive labor market, the best protection an employee has against exploitation by his or her employer is

- A) other employees.
- B) the government.
- C) other employers.
- D) labor unions.

58) In the neoliberal school of thought, unions are

- A) necessary to correct market imperfections.
- B) acceptable as a way to correct market imperfections.
- C) irrelevant in that they have little effect on the competitiveness of the market.
- D) monopolies that restrict market competition.

- 59)** In the neoliberal school of thought, labor unions are
- A) necessary to facilitate movement of supply and demand to the optimal market wage.
 - B) monopolies that try to restrict the supply of labor and benefit only a few at the expense of others.
 - C) create unproductive conflict.
 - D) important tools for eliminating capitalism.
- 60)** In the neoliberalism perspective, the role of the government is to
- A) pass laws that protect worker rights and income.
 - B) pass laws that protect employer interests.
 - C) pass laws that promote competition.
 - D) pass laws that promote good management policies.
- 61)** In the neoliberalism perspective, the role of the law is to
- A) protect worker income security (e.g., minimum wage, unemployment compensation).
 - B) protect employers from individual employee pressure.
 - C) prohibit abuse of labor by management.
 - D) protect individual freedoms that are necessary for competition (e.g., property rights).
- 62)** According to the human resources school of thought, the labor problem stems from
- A) market failures.
 - B) an imbalance of bargaining power between employers and employees.
 - C) poor management.
 - D) class divisions.

63) The basis for the drive system that characterized management in the early 1900s was the core belief that

- A) labor was like any other factor of production and should be driven to attain maximum production for the least cost.
- B) labor was driven by its own desires and needs and therefore should have a voice in how it was managed.
- C) the drive to succeed was so high that workers would be willing to do anything to get ahead.
- D) automation and replacement of human labor with machinery was paramount to organizational success.

64) According to the human resource management school, equity will be achieved only

- A) if employer actions are regulated by employment laws.
- B) when workers produce to their maximum capabilities.
- C) if employers become responsive to employee needs.
- D) when market supply and demand are in balance.

65) According to the human resources school of thought, the solution to the labor problem is better management that emphasizes

- A) unions as a mechanism for employees to express their voice.
- B) alignment of the interests of workers and their employers.
- C) scientific management principles that improve efficiency.
- D) paying at the high end of the market wage scale.

66) Labor unions are considered the quintessential form of independent employee representation because

- A) they are most likely to take management's perspective into consideration.
 - B) they are partly influenced and operated by management.
 - C) they are independent of managerial authority.
 - D) they are independent of both employer and employee influence.
- 67)** Referring to management, the saying "You get the union you deserve" best fits
- A) the industrial relations perspective.
 - B) the mainstream model of economics.
 - C) the human resources perspective.
 - D) the critical industrial relations perspective.
- 68)** According to the human resources school of thought, labor unions are
- A) necessary to correct market imperfections.
 - B) a sign of unhealthy HR practices and problematic because they promote adversarial management-labor relationships.
 - C) irrelevant in that they have little effect on the competitiveness of the labor market and are ineffective in improving HR practices.
 - D) monopolies that restrict market competition.
- 69)** In the 1920's many employers who followed the human resources school of thought believed that nonunion representation plans were
- A) unnecessary if management was exercising good human resources.
 - B) a threat to management's decision-making authority.
 - C) helpful in promoting mutual respect, cooperation and loyalty.
 - D) vital to protecting worker rights and interests.
- 70)** The key distinguishing feature between the neoliberal school and the industrial relations school is that the industrial relations school believes that labor markets

- A) are not perfectly efficient.
- B) operate similar to other types of markets.
- C) have too few suppliers of labor (workers) but many purchasers of labor (employers).
- D) work only when there is a "working class" that is excluded from the "ownership class."

71) According to the industrial relations school, the role of the government and legislation should be to

- A) ensure that labor markets are competitive.
- B) stay out of labor markets completely.
- C) ensure that labor and management's relative power is balanced.
- D) regulate wages, hours and working conditions to ensure that they are fair to workers.

72) The industrial relations school of thought rests on the assumption that labor market outcomes are determined by

- A) the laws of supply and demand.
- B) the relative bargaining strength of parties to the employment relationship.
- C) government intervention and determination of outcomes.
- D) worker protests and militant actions.

73) According to the industrial relations school, the best method to increase bargaining power of workers in their relationships with management is to

- A) regulate markets to ensure that they are competitive.
- B) support the formation of individual labor unions and collective bargaining.
- C) support the formation of employer and worker cooperatives.
- D) prosecute and fine employers who mistreat workers.

74) The saying, "the union makes us strong" best describes which school of thought?

- A) Industrial Relations
- B) Human Resource Management
- C) Mainstream economics
- D) Critical industrial relations

75) According to the critical industrial relations school, wealth and capital in society are created through

- A) producer and consumer decisions to sell and purchase goods and services in a free market.
- B) free will of individuals that make decisions about buying and selling goods and services.
- C) powerful governments that control market prices and available supply of goods and services.
- D) laws that govern market transactions and social norms that govern acceptable behavior.

76) In the critical industrial relations school, the primary aim of labor unions should be to

- A) bargain better wages, hours, and working conditions.
- B) improve human resource management practices.
- C) replace capitalism with socialism.
- D) aid workers' struggles with capitalism by mobilizing and raising the consciousness of the working class.

77) The Occupy movement is most closely aligned with which school of thought?

- A) Industrial relations school
- B) Human resource management school
- C) Neoliberal school
- D) Critical industrial relations school

78) Viewed through the critical industrial relations lens, an employer's goal to be "an employer of choice" is designed primarily to

- A) provide better working conditions for its workers.
- B) show compliance with current laws and regulations in the workplace.
- C) prevent workers from exercising their independent, collective voice in the workplace.
- D) turn workplace control over to the workers.

79) According to the critical industrial relations perspective, the answer to the labor problem is

- A) new management methods.
- B) union representation.
- C) free market supply and demand.
- D) significant restructuring of the nature of capitalism.

80) Which of the four schools of thought views work as "unpleasant" and lacking in rewards other than making enough money to purchase the goods and services one desires?

- A) Neoliberalism
- B) Human resource management
- C) Industrial relations
- D) Critical industrial relations

81) Which of the four schools of thought is the only one that conforms to the belief that workers and employers are equals in the labor market?

- A) Neoliberalism
- B) Human resource management
- C) Industrial relations
- D) Critical industrial relations

82) Which of the four schools of thought believes that workers and employers have common interests that can be aligned for the benefit of all?

- A) Mainstream economics
- B) Human resource management
- C) Industrial relations
- D) Critical industrial relations

83) Which of the four schools of thought believes that workers and employers have multiple, competing interests that center primarily around the division of profits between them?

- A) Mainstream economics
- B) Human resource management
- C) Industrial relations
- D) Critical industrial relations

84) Workers are not commodities, employee voice is important, there is an inherent conflict of interest between management and employees over economic issues describes the assumptions of

- A) the industrial relations perspective.
- B) the mainstream model of economics.
- C) the human resources perspective.
- D) the critical industrial relations perspective.

85) The key distinguishing feature of the critical industrial relations school of thought is that

- A) workers cannot be treated as any other commodity to be bought and sold in a marketplace.
- B) labor markets are essentially competitive markets that need a small amount of guidance from governments.
- C) there is an inherent conflict of interest between labor and management that extends to the very social order of society whereby some classes of individuals are better off than others.
- D) there is a unity of interests between employers and workers.

86) Which of the following is true of the estimated effect of U.S. unions on the employment relationship?

- A) Increased satisfaction among union workers
- B) Increased turnover
- C) Reduced productivity
- D) Reduced profitability

87) According to the critical industrial relations school, balancing power between labor and management is

- A) not possible within a capitalistic system because management domination is built into the very political, legal, and economic structure of society.
- B) not possible within a capitalistic system because workers far outnumber employers and will therefore always be at an advantage.
- C) possible within a capitalistic system with the proper structure of laws and regulations.
- D) inherently present within a capitalistic system due to the invisible hand of Adam Smith (i.e., free market competition).

88) Which of the following best describes the pluralist view of conflict in the workplace?

- A) The employment relationship conflict features mixed motives; some issues are conflictual and some involve mutual interests.
- B) The fact that there are multiple parties to the employment relationship doesn't mean that there are also competing interests between them.
- C) Not all workplace issues can be thought of and resolved through a focus on shared interests between employers and employees.
- D) No government involvement. Very few issues that arise in the workplace are characterized by conflict between interests of employers and employees.

89) Workplace governance

- A) has little effect on employee equity and voice.
- B) determines the balance between efficiency, equity, and voice.
- C) has little effect on the community outside the workplace.
- D) inherently favors efficiency over equity and voice.

90) Which of the following is a critical issue in today's human resources and industrial relations?

- A) The foreman's empire system of complete management control and arbitrary dismissal
- B) Widespread unemployment
- C) 72-hour workweeks in dangerous or unsanitary conditions
- D) The need to educate individuals as lifelong learners because of ever-changing technologies.

91) Identify a correct estimate of the effect of U.S. unions on the employment relationship.

- A) Nearly universal absence of formal grievance procedures in union contracts
- B) Universal increase in productivity across industry type
- C) The decreased importance of seniority provisions in personnel changes
- D) The universal presence of just cause discipline and discharge clauses in union contracts

92) Which of the following methods to establish workplace governance is suggested by the critical industrial relations perspective?

- A) Human resource management with voice (i.e., employee participation)
- B) Labor unions
- C) Laws of supply and demand
- D) Worker control of organization

93) If one believes that labor is not a commodity and labor markets are not always efficient, employee voice is important, and there is an inherent conflict of interest over who gets what share of the profits, they are most closely aligned with the

- A) mainstream economics school of thought.
- B) human resources management school of thought.
- C) industrial relations school of thought.
- D) critical industrial relations school of thought.

94) If one believes the employment relationship is characterized by equal bargaining power in a self-regulating market, then the appropriate workplace governance should be

- A) human resource management
- B) government regulation
- C) collective bargaining
- D) competitive markets

95) If employee voice is considered important, workplace governance under the industrial relations model should include

- A) government intervention that establishes laws regarding good workplace practices.
- B) government intervention in the form of laws and rules that protect the rights of individuals to enter contracts.
- C) government intervention in the form of laws and rules that protect worker rights to bargain collectively and establish labor standards.
- D) no government involvement.

96) Before the early 1900s, the prevailing opinion regarding the employment relationship was that

- A) the government should never interfere with the ability of an individual to freely enter into an economic relationship with another individual.
- B) the government should monitor economic relationships to ensure they were fair to both parties.
- C) individuals should only enter into an economic relationships if there were laws ensuring minimum standards of protection.
- D) employers should be allowed to unilaterally set terms and conditions of employment.

97) If employee voice is considered unimportant, the Human Resource Management school of thought believes that workplace governance

- A) should include tripartite system of employer, government, and employees finding workplace solutions.
- B) should be the sole purview of management which retains unilateral control over the workplace.
- C) should be the result of bilateral negotiations with a representative of the employees.
- D) will be largely dictated by the laws of supply and demand in the labor market.

98) Taken as a whole, U.S. labor law is most closely aligned with which one of the four schools of thought on the labor problem?

- A) Mainstream economics
- B) Human Resource management
- C) Industrial relations
- D) Critical Industrial relations

99) The British labor relations system of voluntarism provides little protection for unionization and instead relies on the relative economic strength of employees to push for their demands and employers to resist their demands. This system is most closely aligned with

- A) mainstream economic model.
- B) human resource management model.
- C) industrial relations model.
- D) critical industrial relations model.

100) According to the neoliberal view, unions are

- A) tools of management that are used to suppress workers.
- B) monopolies that interfere with economic efficiency.
- C) a symptom of poor management.
- D) effective at balancing the power between management and labor.

101) Which of the following is not true with respect to the impact of unions on terms and conditions of employment?

- A) Unionized workers earn more, on average, than nonunionized workers
- B) Unionized workers are more satisfied, on average, than nonunionized workers
- C) Unionized workers are more likely to have health benefits than nonunionized workers
- D) Unionized workers are less likely to be denied unemployment and workers' compensation

102) The shock effect refers to the tendency for

- A) nonunion members to join unions because of the extreme wage differential.
- B) nonunion firms to become unionized.
- C) managers in unionized firms to become better managers in response to unionization.
- D) managers in nonunion firms to become better managers so they can avoid unionization.

103) Which of the following statements is most accurate?

- A) Unionization almost always results in improvements to workplace productivity.
- B) Unionization almost never results in improvements to workplace productivity.
- C) Unionization generally has no effect on workplace productivity.
- D) The effects of unionization on productivity are mixed; sometimes it results in an increase and sometimes it results in a decrease.

104) The union wage premium is

- A) approximately 15% such that union workers make, on average, 15% more than comparable nonunion workers.
- B) approximately 15% such that nonunion workers make, on average, 15% more than comparable union workers.
- C) no longer prevalent in the U.S.
- D) approximately 5% such that union workers make, on average, 5% more than comparable nonunion workers.

105) Unionized workers tend to have lower job satisfaction than nonunionized workers primarily because

- A) they are dissatisfied with their union representation.
- B) they are working under harsher conditions and their workplace climate is less desirable.
- C) they are receiving fewer benefits such as workers compensation and unemployment insurance.
- D) they are more likely to be victims of discrimination than nonunionized workers.

106) Aside from their role in workplace governance, unions are important to the effective functioning of a democratic society because they

- A) increase the competitiveness of labor markets.
- B) create additional employment for people who do not want to work for corporations.
- C) provide a counter to excessive political power of employers and employer associations.
- D) take on some of the roles and responsibilities of government.

FILL IN THE BLANK. Write the word or phrase that best completes each statement or answers the question.

107) Undesirable outcomes that stem from an inequitable, contentious, oppressive, or exploitative employment relationship are sometimes referred to as the _____.

108) _____ emphasizes repetitive, narrowly defined tasks be performed by workers to achieve high output.

109) One undesirable outcome stemming from the labor problem was that workers themselves could not buy the goods and services they were producing. In other words, workers lacked _____ power.

110) The _____ school of thought believes that market competition between self-interested agents will derive the best outcomes for both employers and their employees.

111) According to the neoliberal school of thought, employees should be paid according to their _____.

112) According to the neoliberal school of thought, unions act like _____ because they control the supply of labor and set wages at levels that are artificially high.

113) The _____ school of thought argues that the labor problem stems from poor management and nonalignment of the interests of the firm and its workers.

114) Labor organizations that have the power to elect their own officials, manage their own finances, and make their own strategic and tactical decisions are called _____.

115) The _____ school of thought argues that imperfectly competitive labor markets create problems such as bargaining power imbalances.

116) The industrial relations school believes that there are two important mechanisms for balancing the goals of employers and employees: _____ and labor unions.

117) The most radical of the four schools of thought is the _____ school.

118) _____ is an example of a critical industrial relations perspective that envisions a political, rather than revolutionary, transition away from capitalism.

119) The _____ view of employment relationships emphasizes that all workplace issues can be structured as shared interests.

120) The _____ school of thought sees the workplace as a plurality of legitimate interests, some conflictual and some mutual.

121) That the employment relationship consists of a mix of conflicting and mutual motives of labor, management, and society is known as the _____ view of workplace conflict.

122) The critical industrial relations school of thought views industrial relations as an inherent _____.

123) The _____ school of thought believes that firms should design and implement better supervisory methods, selection procedures, training methods, compensation systems, and evaluation and promotion mechanisms to create motivated and efficient workers.

124) In the critical industrial relations school of thought, when employee voice is considered important, governance must be achieved through _____.

125) In the industrial relations school of thought, when employee voice is not considered important, governance must be achieved through _____.

126) When workers are not entitled to equity or voice, and the sole concern of employers is efficiency, workers are viewed as _____.

127) The _____ movement has brought the problem of 21st-century economic and social inequality into the public consciousness.

128) Under the critical industrial relations school of thought, the preferred methods of workplace governance are _____.

129) When managers develop better management practices and policies that improve workplace efficiency because of the presence or threat of a union, it is known as the _____.

130) When workers and unions from multiple workplaces join together to pursue common interests in the political and social arenas, it is called a _____.

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

131) Describe some of the stereotypes that exist about unions in the U.S. Explain how the various elements of popular culture reinforce these stereotypes.

132) Describe what is meant by the labor problem.

133) Why was the labor problem considered a problem?

134) According to the neoliberal school, how are efficiency, equity and voice achieved in society? What does this school of thought have to say about the role of government and unions?

135) According to the human resource management school, how are efficiency, equity and voice achieved in society? What does this school of thought have to say about the role of government and unions?

136) According to the industrial relations school, how are efficiency, equity and voice achieved in society? What does this school of thought have to say about the role of government and unions?

137) According to the critical industrial relations school, how are efficiency, equity and voice achieved in society? What does this school of thought have to say about the role of government and unions?

138) Explain how each of the four schools of thought would respond to the following question: Are employer and employees equals in the labor market and legal arena?

139) How is conflict conceptualized differently under the unitarist and pluralistic views of conflict in society?

140) According to each of the four schools of thought, what was the cause of the labor problem? Given the causes, what solution does each school propose?

141) How was the Great Depression instrumental in setting the workplace governance rules in the United States?

142) Using the various schools of thought, describe how the U.S. has changed in its approach to labor relations since the early days of industrialization.

143) In what ways have unions been both a positive and negative force in society?

144) Match the following schools of thought about the employee relationship with their views of labor unions.

1. Critical industrial relations	Bad: Monopolies that benefit a few at the expense of everyone else	
1. Industrial relations	Unnecessary and ineffective: Add unproductive conflict	

1. Human resource management	Important but inadequate: They are useful for protecting worker interests but greater sociopolitical changes are required	
1. Neoliberalism	Important: They are necessary to achieve employee efficiency, equity, and voice in democratic, capitalist societies	

Answer Key

Test name: Chap2

- 1) FALSE
- 2) FALSE
- 3) FALSE
- 4) TRUE
- 5) TRUE
- 6) FALSE
- 7) TRUE
- 8) FALSE
- 9) TRUE
- 10) TRUE
- 11) TRUE
- 12) FALSE
- 13) FALSE
- 14) TRUE
- 15) TRUE
- 16) TRUE
- 17) TRUE
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- 28) TRUE
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- 35) TRUE
- 36) TRUE
- 37) FALSE
- 38) TRUE
- 39) FALSE
- 40) FALSE
- 41) FALSE
- 42) FALSE
- 43) FALSE
- 44) FALSE
- 45) TRUE
- 46) TRUE
- 47) TRUE
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- 49) TRUE
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- 51) A
- 52) D
- 53) B
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- 57) C
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- 74) A
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- 78) C
- 79) D
- 80) A
- 81) A
- 82) B
- 83) C
- 84) A
- 85) C
- 86) D

- 87) A
- 88) A
- 89) B
- 90) D
- 91) D
- 92) D
- 93) C
- 94) D
- 95) C
- 96) A
- 97) B
- 98) C
- 99) B
- 100) B
- 101) B
- 102) C
- 103) D
- 104) A
- 105) B
- 106) C
- 107) labor problem
- 108) Mass manufacturing
- 109) purchasing
- 110) neoliberal
- 111) economic value
- 112) monopolies
- 113) hrm
- 114) independent unions
- 115) industrial relations
- 116) statutory government

- 117) critical industrial
- 118) Socialism
- 119) unitarist view
- 120) industrial relations
- 121) pluralist
- 122) class conflict
- 123) hrm
- 124) worker cooperatives
- 125) government regulation
- 126) machines
- 127) Occupy
- 128) worker cooperatives and socialism
- 129) shock effect
- 130) labor movement

131) Unions are commonly stereotyped as corrupt, greedy organizations that create an inconvenience for the consumer, use violence to achieve their goals, and/or are ineffective in achieving workplace improvements. Union workers are often portrayed as lazy and unwilling to work outside of their narrowly defined roles. These stereotypes are reinforced through news media reports that focus reporting on the small number of strikes that occur while neglecting to highlight the vast majority of collective bargaining agreements that are settled peacefully. In addition, television shows, movies, and commercials portray union workers in ways that reinforce the stereotypes: lazy, dull, and unmotivated or unwilling to perform for their employers.

132) The labor problem of the early 1900s was characterized by undesirable working conditions arising from the inequitable and adversarial relationship between employers and their employees. These undesirable conditions included unsafe working conditions, long hours of work, low wages, and no job security. Today's critical issues in human resources and industrial relations are: Significant labor market disparities. Problems of low-wage workers trying to move out of poverty and support families. Corporate pressures for cost control, quality, and flexibility to compete in a global, information-rich economy. The need to educate individuals as lifelong learners because of ever-changing technologies. Problems of work–life balance, especially for working mothers and single parents.

133) There are two main reasons why the labor problem was considered a problem. First, from a purely humanitarian perspective, workers and their families deserve better lives than this. As members of a productive democratic society, they should be entitled to share in the economic wealth generated from their labor and have some voice in how they are treated in the workplace. Second, from a purely business perspective, the labor problem limited economic growth by concentrating wealth which failed to generate new markets and consumer purchasing power.

134) According to the neoliberal school, efficiency, equity and voice are achieved through free market competition or the competitive forces of supply and demand. Prices in a competitive market reflect the value of what's being purchased and hence, wages in a competitive labor market, reflect the value of that labor. If competition exists, the optimal outcomes for both workers and employers are achieved. If an employer tries to pay too little or offers unsafe working conditions, workers can exercise voice by quitting and finding another employer. This encourages employers to provide equity in the workplace. Under the mainstream economics school, the only role government should play is in preserving individual property rights and ensuring competitive markets. Labor unions play no useful role at all under this model - rather, they are an impediment to marketing competition because they act as monopolies that restrict the supply of labor and interfere with free market forces.

135) According to the human resource management school, efficiency, equity and voice are achieved by management policies and practices that are responsive to the needs of employees. Good management practices that encourage equity and voice will also result in greater efficiency through healthy employment relationships. Unions are perceived as a negative influence on the workplace culture, encouraging adversarial and unhealthy relationships between management and their employees.

136) According to the industrial relations school, efficiency, equity and voice can only be achieved when there is a balance of power between employers and their employees. Balance of power is only possible when workers have the right to collectively bargain with their employers through independent unions. In this school of thought government can play a role in establishing minimum standards and preserving the right for workers to unionize and bargain collectively. Unions are the main mechanism, however, through which efficiency, equity and voice are achieved. They are therefore critical to achieving balance.

137) The critical industrial relations school sees the employer and employee relationship as unworkable. Hence, the only way efficiency, equity, and voice can be achieved is to completely change the employment relationship by eliminating an ownership class. This means that all workers would become owners through worker control over production. This school of thought is suspicious of government, seeing it as a means by which more powerful elements of society can create an unlevel playing field that permanently puts the working class at a disadvantage. Unions are seen as useful entities that can bring about social revolution but, once worker control is achieved, unions would have only a small role to play.

138) In neoliberal thought, efficiency, equity, and voice are achieved through free-market competition. Employees are paid their economic value and are free to quit if they feel they are being exploited. The human resource management school sees employers and workers as unequal partners in the employment arena, necessitating good management practices that encourage efficiency, equity, and voice. The industrial relations school sees employers as having significantly more power than employees, necessitating laws that protect workers' rights to collective bargaining and unionization. Finally, the critical industrial relations school sees workers as substantially inferior to employers in their bargaining power. Further, employer's greater bargaining power allows them to manipulate the legal and social system to their advantage, creating a permanent working class that is never able to move up in the world.

139) The unitarist view asserts that conflict between employers and their employees is not a permanent, inherent feature of the employment relationship. Rather, employers and employees have common goals and interests which must be aligned by good management practices. By contrast, the pluralist view sees conflict between employers and unions as both shared and conflicting. It acknowledges that both parties have multiple, sometimes conflicting needs. While there are some shared interests between them, there is always an inherent conflict over the employer's drive for higher profits and the employees' push for better terms of employment (e.g., higher wages, better benefits).

140) From the perspective of the neoliberal school, the conditions of the labor problem are not seen as exploitation if there is sufficient labor market competition. In neoliberal thought, efficiency, equity, and voice are achieved through free-market competition. The human resource management school sees poor management as the cause of the labor problem and, as such, the solution is better management practices that encourage employee equity and voice. The industrial relations school sees an imbalance in bargaining power as the cause of the labor problem. The solution is to encourage independent unionization and collective bargaining that will equalize the imbalance in power. Finally, the critical industrial relations school sees the labor problem as a manifestation of class conflict and the ability of the ownership class to manipulate the rules and laws of society to their best advantage. The solution, according to this school of thought, can only be found by assuming worker control over modes of production and decision-making in society.

141) The severity of the Great Depression in the 1930s called into serious question the wisdom of the laissez-faire legal and economic philosophy. During this time period, as part of President Roosevelt's New Deal, U.S. labor law was born. As a consequence, U.S. laws pertaining to labor unions and collective bargaining reflect the central belief of the industrial relations school that unions are needed to counter corporate bargaining power and provide industrial democracy. National labor policy is based on the assumption that the pluralist conflict in the employment relationship is best resolved via collective bargaining to balance efficiency, equity, and voice. This is supplemented by government laws establishing additional standards and safety nets, such as a minimum wage, mandated overtime pay, old age assistance and insurance (Social Security), and unemployment insurance.

142) In the initial days of industrialization, the mainstream economics school of thought prevailed as illustrated by the drive systems used by management which treated employees like any other factor of production. When this proved problematic (e.g., increased numbers of strikes, etc.), there were some extreme attempts to curtail management practices using militant methods consistent with the predictions of the critical industrial relations school. However, this method proved to be expensive and precipitated a move to the human resource management school of thought as well as the industrial relations school. For a time, the industrial relations approach seemed most successful at curtailing labor conflict and union strength grew accordingly. However, with increased competition from globalization, the restrictive union contracts became very problematic. A movement away from the industrial relations school and toward the human resource management school was brought about by an increase in government regulation over the employment relationship and a dramatic decline in unionization rates due to declines in traditionally unionized industries such as manufacturing. The human resource management school has dominated current practice with respect to workplace governance although some might argue that the Occupy movement signals a return to the principles of the critical industrial relations school.

143) Unions have been credited with reducing wage inequality, increasing the likelihood of benefits, seniority rights, and just cause discipline and discharge standards in the workplace. In addition, unions have been instrumental in pushing for unemployment and workers compensation, and decreasing the likelihood of discrimination against workers. Unionized workers are more likely to receive benefits they are entitled to and less likely to be retaliated against by an employer. They are also less likely to quit their jobs. On the other hand, unions are usually associated with lower profits and may or may not improve productivity at a particular employer. Unions also reduce employment growth.

144)

1. Critical industrial relations	Bad: Monopolies that benefit a few at the expense of everyone else	4
1. Industrial relations	Unnecessary and ineffective: Add unproductive conflict	3
1. Human resource management	Important but inadequate: They are useful for protecting worker interests but greater sociopolitical changes are required	1
1. Neoliberalism	Important: They are necessary to achieve employee efficiency, equity, and voice in democratic, capitalist societies	2