

# Midterm – HRM testbanks and open questions

## Chapter 1

1. The basic functions of the management process include all of the following EXCEPT \_\_\_\_\_.

C) outsourcing

2. Which one of the following is the person responsible for accomplishing an organization's goals by managing the efforts of the organization's people?

A) manager

3. Which one of the following includes five basic functions—planning, organizing, staffing, leading, and controlling?

C) the management process

4. Which function of the management process requires a manager to establish goals and standards and to develop rules and procedures?

A) planning

5. Claire spends most of her time at work establishing goals for her staff of fifty employees and developing procedures for various tasks. In which function of the management process does Claire spend most of her time?

D) planning

6. Consuela, a manager, delegates the authority for a project to Lee, her subordinate. Consuela is most likely involved in which function of the management process?

B) organizing

7. When managers use metrics to assess performance and then develop strategies for corrective action, they are performing the \_\_\_\_\_ function of the management process.

C) controlling

8. Which function of the management process includes selecting employees, setting performance standards, and compensating employees?

D) staffing

9. Luca, a manager at a commercial real estate firm, has established a monthly sales quota for his sales team. Which basic function of management best describes Luca's actions?

C) controlling

10. \_\_\_\_\_ is the process of acquiring, training, appraising, and compensating employees, and attending to their labor relations, health and safety, and fairness concerns.

B) Human resource management

11. In the management process, which one of the following is an activity associated with the leading function?

A) motivating subordinates

12. Personnel activities associated with human resource management most likely include all of the following EXCEPT \_\_\_\_\_.

D) developing customer relationships

13. No one wants to make mistakes, least of all managers. Which one of the following is NOT a personnel mistake?

D) experience low turnover

14. What percentage of people in the United States work for small firms?

C) More than 50%

15. \_\_\_\_\_ is the right to make decisions, to direct the work of others, and to give orders.

B) Authority

16. Which one of the following best defines line authority?

D) a manager's right to issue orders to other managers or employees

17. In most organizations, human resource managers are categorized as \_\_\_\_\_, who assist and advise \_\_\_\_\_ in areas like recruiting, hiring, and compensation.

A) staff managers; line managers

18. Gerjuan is authorized to direct the work of subordinates and is responsible for accomplishing the organization's tasks. Gerjuan is most likely a \_\_\_\_\_.

C) line manager

19. Which one of the following is NOT considered one of the line supervisor's responsibilities for effective human resources management under the general headings outlined by a major company discussed in the textbook?

B) changing employees' attitudes regarding work

20. A line manager's human resource responsibilities most likely include all of the following EXCEPT \_\_\_\_\_.

D) marketing new products and services

21. Which one of the following refers to the authority a manager has to advise other managers or employees?

C) functional authority

22. Which one of the following is most likely a line function of the human resource manager?

D) directing the activities of subordinates in the HR department

23. One of the \_\_\_\_\_ functions of a human resource manager includes directing the activities of his or her subordinates in the HR department.

D) line

24. Yuki works at a position in his organization where he maintains contacts within the local community and travels to search for qualified job applicants. Yuki's position is best described as \_\_\_\_\_.

A) recruiter

25. \_\_\_\_\_ functions involve assisting and advising line managers.

A) Staff

26. All of the following are major areas in which an HR manager assists and advises line managers EXCEPT \_\_\_\_\_.

C) customer relations

27. Human resource managers generally exert \_\_\_\_\_ within the human resources department and \_\_\_\_\_ outside the human resources department.

A) line authority; staff authority

28. The HR staff member who has the job of advising management on all aspects of unionmanagement aspects is the \_\_\_\_\_.

D) labor relations specialist

29. All of the following are examples of human resource specialties EXCEPT \_\_\_\_\_.

B) financial advisor

30. Wilmer works in the HR department and is in charge of developing the plans for how people are paid and how the employee benefits program is run. Wilmer is most likely holding the position of \_\_\_\_\_.

C) compensation manager

31. Which one of the following human resource management specialties calls for collecting data to write job descriptions?

A) job analyst

32. Which one of the following focuses on using centralized call centers and outside vendors as a way to provide specialized support in day-to-day HR activities?

D) shared HR groups

33. An HR generalist at Wilson Manufacturing has been assigned to the sales department to provide HR management assistance as needed. Which of the following best describes the structure of the HR services provided at Wilson Manufacturing?

B) embedded HR teams

34. Tanesha Whitman has recently been hired by Jackson Pharmaceuticals as the senior vice president of human resources. Jackson Pharmaceuticals has a history of problems within its HR department including difficulties recruiting and retaining qualified employees, EEO violations, inadequate employee training programs, and confusion regarding health benefit enrollment and coverage. With years of experience transforming HR departments in other firms, Whitman believes she can correct the problems at Jackson Pharmaceuticals. Which one of the following best supports Whitman's idea to develop a shared services arrangement to handle benefits administration?

C) Outside vendors specializing in all aspects of benefits administration would provide improved support to the firm's employees.

35. Roberto Sanchez has recently been hired by Slate Pharmaceuticals as the senior vice president of human resources. Slate Pharmaceuticals has a history of a variety of

significant problems within its HR department such as EEO violations, inadequate employee training programs, and employee confusion regarding health benefit enrollment and coverage. With 20 years of experience transforming HR departments in other firms, Sanchez believes he can correct the major problems at Slate Pharmaceuticals. Which one of the following best supports the argument that Sanchez should create embedded HR units and assign relationship managers to each department within the company?

A) Employees frequently complain about the inconsistent assistance they receive from the HR department due to its large size.

36. Which one of the following areas is NOT a major area where human resource managers assist and advise line managers?

D) performance management

37. Which organization of the human resource function involves dedicated HR members that assist top management in issues such as developing the personnel aspects of the company's longterm strategic plan?

B) corporate HR teams

38. The vice president of marketing tells a marketing manager to prepare a presentation by the end of the week. The vice president is most likely exercising which one of the following?

C) line authority

39. Which HR specialty involves preparing job descriptions?

C) job analyst

40. Which one of the following would most likely provide assistance to executives about longterm strategic plans?

C) corporate HR teams

41. Between 2012 and 2022 what ethnic group is projected to decrease as a percentage of the workforce?

D) white

42. \_\_\_\_\_ refers to the tendency of firms to extend their sales, ownership, and/or manufacturing to new markets abroad.

B) Globalization

43. All of the following are the most common reasons that firms decide to globalize EXCEPT \_\_\_\_\_.

B) supervising quality control methods

44. Which one of the following was NOT a change in the economic and political philosophies that drove the globalization boom causing U.S. imports and exports to rise from \$47 billion in 1960, to \$562 billion in 1980, to about \$5.1 trillion recently?

D) instability in the world labor market

45. Which one of the following is NOT one of the five main types of digital technologies driving the transfer of functionality from HR professionals to automation?

A) Email

46. What term refers to the knowledge, skills, and abilities of a firm's workers?

B) human capital

47. Which one of the following describes one of the most significant demographic trends facing the U.S. workforce?

A) increased number of aging workers

48. Over the next few years, employers may face a severe labor shortage because \_\_\_\_\_.

A) there are fewer people entering the workforce than there are retiring baby boomers

49. What is the term for workforces like those at the company Uber, where freelancers and independent contractors work when they can, on what they want to work on, and when the company needs them?

D) on-demand workers

50. Which one of the following best describes an on-demand worker?

C) a person who fills in for another, such as a substitute teacher

51. The recent trend where in some occupations (such as high-tech) unemployment rates are low, while in others unemployment rates are still very high and recruiters in many companies can't find candidates, while in others there's a wealth of candidates is called \_\_\_\_\_.

C) the unbalanced labor force

52. Which one of the following best exemplifies recent trends in technology that are affecting human resource management?

B) The use of gaming features to enhance training and performance appraisal

53. Which term refers to exporting jobs to lower-cost locations abroad?

B) offshoring

54. Tools such as Twitter, Facebook, and LinkedIn that can be used to recruit new employees are known as \_\_\_\_\_.

B) social media

55. \_\_\_\_\_ involves using statistical techniques, algorithms, and problem-solving to identify relationships among data for the purpose of solving particular problems.

A) Data analytics

56. \_\_\_\_\_ involves formulating and executing human resource policies and practices that produce the employee competencies and behaviors the company needs to achieve its strategic aims.

C) Strategic human resource management

57. About what percentage of all job openings are now posted online?

D) 70%

58. Which one of the following is an aspect of "distributed" HR?

B) HRM tasks redistributed to the company's employees and line managers

59. According to the textbook, approximately what percentage of job seekers used Glassdoor during their job search to learn about a company they might apply for?

C) 48%

60. Strategic human resource management refers to \_\_\_\_\_.

A) formulating and executing human resource policies and practices that produce the employee competencies and behaviors the company needs to achieve strategic aims

61. \_\_\_\_\_ refers to ensuring that the human resources management function is delivering its services efficiently.

C) HR department lever

62. Evidence-based human resource management relies on all of the following types of evidence EXCEPT \_\_\_\_\_.

D) qualitative opinions

63. Which term refers to the HR manager putting into place the policies and practices that produce the employee competencies and skills the company needs to achieve its strategic goals?

B) strategic results lever

64. \_\_\_\_\_ refers to being psychologically involved in, connected to, and committed to getting one's jobs done.

D) Employee engagement

65. Which one of the following refers to the standards someone uses to decide what his or her conduct should be?

A) ethics

66. Which one of these organization provides professional certification for human resource managers?

B) Society for Human Resource Management

67. Which one of the following is NOT an HR certification?

C) SHRM Junior Professional

68. Which SHRM HR manager competency involves the ability to provide guidance to organizational stakeholders?

A) consultation

69. Michael has the ability to understand and apply information with which to contribute to his organization's overall strategic plan. This is the SHRM HR competency of \_\_\_\_\_.

C) business acumen

70. Which SHRM HR manager competency involves the ability to effectively exchange information with stakeholders?

B) communication

open questions:



1. What are the five basic functions of the management process? Explain some of the specific activities involved in each function. Which function is most closely associated with human resource management?

The five basic functions of management are planning, organizing, staffing, leading, and controlling.

- Planning involves goal setting, rule development, and forecasting.
- Organizing entails task assignment, department establishment, and authority delegation.
- Staffing includes hiring decisions and performance standards.
- Leading involves maintaining morale and motivation.
- Controlling focuses on setting standards and corrective actions.

While staffing is closely tied to human resource management, HR managers oversee all five functions.

2. Why is human resource management important to all managers? What is the role of line managers in human resource management?

Human resource management is crucial for all managers because hiring the right people and motivating them is essential for success. Line managers play a key role in HR management by ensuring they place the right person in the right job, orient and train employees, improve job performance, foster cooperation, interpret company policies, control labor costs, and ensure employees' well-being.

3. Explain the difference between line authority and staff authority. What type of authority do human resource managers usually have?

Line authority involves directing the work of subordinates to achieve organizational goals, while staff authority involves assisting and advising line managers in accomplishing these goals. Human resource managers typically have staff authority, supporting line managers in areas like recruitment and compensation. However, they also wield line authority within their own department.

4. What are the two distinct functions carried out by human resource managers? Describe each function in a brief essay.

Human resource managers perform two distinct functions: line management within the HR department and staff assistance and advisory roles across the organization. In their line function, HR managers exercise direct authority over HR department activities. In their staff function, they assist in various HR processes such as hiring, training, evaluating,

rewarding, and counseling employees. Additionally, they administer benefit programs, ensure compliance with laws, handle grievances, and manage labor relations.

**5. Describe how shared service HR arrangements and embedded HR arrangements differ.**

Shared service HR arrangements involve centralized HR units that serve multiple departments by offering specialized support through intranets or call centers. They handle day-to-day HR activities for all departments, such as providing advice on discipline problems. Embedded HR arrangements, on the other hand, involve HR generalists assigned to specific functional departments like sales and production. They provide tailored assistance and support directly within their assigned departments, including selection processes and other HR needs.

**6. In what way has technology changed human resources management? Discuss at least three technologies that have had an impact.**

Technology has revolutionized human resources management in several ways:

1. Social media platforms like Twitter, Facebook, and LinkedIn are increasingly used for recruitment, reducing reliance on traditional methods.
2. Mobile applications enable employers to monitor employee locations and provide digital clock-in systems for identification.
3. Gamification is utilized in training applications to enhance engagement, while websites like Knack, Gild, and True Office integrate gaming features into various HR processes such as training and performance appraisal.
4. Cloud computing and user-friendly interfaces allow for real-time monitoring of team goals and provide instant evaluative feedback.
5. Data analytics, known as talent analytics in HR, utilizes statistical techniques and algorithms to identify trends and relationships in data, aiding in tasks like identifying ideal candidate traits and predicting employee turnover.

**7. On-demand workers are a developing part of the workforce. In a brief essay, explain what on-demand workers are and how they impact organizations.**

On-demand workers, also known as freelancers or independent contractors, are individuals who work on a temporary or project basis for organizations like Uber, Elance, and Airbnb. These workers operate independently and are hired when needed, allowing companies to scale their workforce as required without the overhead of traditional employees. Platforms such as Amazon's Mechanical Turk, TaskRabbit, and Handybook facilitate this flexible workforce model by connecting employers with freelance

professionals for various tasks. This trend signifies a shift towards a more mobile and skillbased labor force. Organizations relying on on-demand workers need to develop policies for compensation and talent management to effectively leverage this extended workforce and match specific tasks with suitable individuals.

#### **8. How has increasing globalization affected business?**

Globalization has transformed business by fostering international trade through agreements like NAFTA and the EU, leading to significant growth in imports and exports. Governments have reduced tariffs and barriers to promote trade, resulting in increased competition worldwide. This competition drives companies to strive for excellence, lower costs, and improve productivity. Many multinational companies transfer operations abroad to access new markets and lower labor costs. Offshoring, including the outsourcing of skilled jobs, has become common practice. Managing the human aspects of globalization is a key challenge for companies expanding abroad and their HR managers.

#### **9. What is evidence-based human resource management? How does evidence-based human resource management benefit firms?**

Evidence-based human resource management involves using data, analytics, and research to inform HR decisions and practices. It ensures that decisions are based on reliable evidence rather than intuition or assumptions. This approach benefits firms by promoting informed decision-making, reducing the risk of errors, and enhancing the effectiveness of HR practices in achieving organizational goals.

#### **10. What is human resource management? What competencies are necessary for HR managers to succeed in today's business environment? Explain your answer in a brief essay.**

Human resource management is the process of acquiring, training, appraising, and compensating employees, and of attending to their labor relations, health and safety, and fairness. The SHRM Human Resource Manager competencies are leadership & navigation, ethical practice, business acumen, consultation, critical evaluation, global & cultural effectiveness and communication. HR managers need to show how their actions are "adding value" for the organization as a whole.

## **Chapter 3**

1. \_\_\_\_\_ defines the nature of the company's business in terms of how it will match its internal strengths and weaknesses with its external opportunities and threats in order to maintain a competitive position.

B) Strategic planning

2. \_\_\_\_\_ involves setting objectives, making forecasts, reviewing alternative courses of action, evaluating options and implementing the plan.

A) The management planning process

3. What is the first step in the basic planning process?

C) setting an objective

4. Which one of the following is NOT part of the basic managerial planning process?

D) building corporate hierarchies

5. Which term indicates the course of action for getting from where you are to where you want to go?

B) plan

6. What is a company's plan for how it will match its internal strengths and weaknesses with external opportunities and threats to maintain a competitive advantage?

A) strategic plan

7. A course of action that a firm can pursue to achieve its strategic aims is known as a \_\_\_\_\_.

C) strategy

8. Strategic management is best defined as the process of identifying and executing the organization's strategic plan by matching the company's capabilities with its \_\_\_\_\_.

A) environmental demands

9. All of the following are steps involved in the strategic management process EXCEPT \_\_\_\_\_.

D) offshoring low-skill jobs

10. What is the first step in the strategic management process?

B) asking, "What business are we in now?"

11. Which one of the following is a simple guide used to compile relevant information about a company's environment including economic, competitive, and political trends that may affect a firm?

B) environmental scan worksheet

12. John wants to perform external and internal audits as part of the strategic management process. What is a frequently used tool to organize relevant information on positive and negative aspects of the company and environment?

C) SWOT chart

13. Which one of the following provides a summary of a firm's intended direction and shows, in broad terms, "what we want to become"?

C) vision statement

14. The sales director at WebMD is calculating annual sales revenue targets and the number of new medical-related content providers that the firm needs to maintain a competitive advantage. In which step of the strategic management process is the sales director involved?

C) choosing specific strategies or courses of action

15. The \_\_\_\_\_ of the California Energy Commission indicates that the organization assesses and acts through public and private partnerships to improve energy systems that promote a strong economy and a healthy environment.

A) mission statement

16. A company's \_\_\_\_\_ strategy identifies the portfolio of businesses that comprise a firm and the ways in which these businesses relate to each other.

C) corporate-level

17. A diversification corporate strategy implies that a firm will \_\_\_\_\_.

A) expand by adding new product lines

18. Harley-Davidson sells a line of boots, helmets, and leather jackets indicating that the firm is pursuing which one of the following strategies?

C) diversification

19. When Apple opened its own Apple stores, this was an example of \_\_\_\_\_.

C) vertical integration

20. Winchester Rugs operates a Web site called [www.buyrugsdirect.com](http://www.buyrugsdirect.com), so Winchester Rugs is most likely using a strategy of \_\_\_\_\_.

C) vertical integration

21. Which one of the following activities most likely indicates that a firm is implementing a vertical integration strategy?

B) producing raw materials

22. The 2008 announcement by Starbucks that it would be closing approximately 600 of its stores suggests the firm was using a \_\_\_\_\_ strategy.

A) consolidation

23. Sweet Leaf Tea, a Texas-based maker of bottled iced tea, is a small but fast-growing firm that has gained a loyal following for its use of fresh, organic ingredients in its beverages. Although beverage industry experts recommended that Sweet Leaf replace the organic cane sugar and honey it uses with less costly high-fructose corn syrup, Sweet Leaf refused because of the company's mission to provide a high-quality, organic beverage to consumers. The 11-year old company has 50 employees, and its products are available in 30% of the U.S. market. Sweet Leaf Tea recently received multi-million-dollar investments which will enable the business to expand its national presence. Which one of the following, if true, would best support the argument that Sweet Leaf Tea should implement a corporate-level strategy of concentration?

C) Market data suggests that customers really only want the tea itself, not related products.

24. Sweet Leaf Tea, a Texas-based maker of bottled iced tea, is a small but fast-growing firm that has gained a loyal following for its use of fresh, organic ingredients in its beverages. Although beverage industry experts recommended that Sweet Leaf replace the organic cane sugar and honey it uses with less costly high-fructose corn syrup, Sweet Leaf refused because of the company's mission to provide a high-quality, organic beverage to consumers. The 11-year old company has 50 employees, and its products are available in 30% of the U.S. market. Sweet Leaf Tea recently received multi-million-dollar investments which will enable the business to expand its national presence. Which one of the following, if true, would most likely undermine the argument that Sweet Leaf Tea should implement a corporate-level strategy of vertical integration?

A) Sweet Leaf Tea lacks the facilities or knowledge to produce the raw ingredients for its beverages.

25. Sweet Leaf Tea, a Texas-based maker of bottled iced tea, is a small but fast-growing firm that has gained a loyal following for its use of fresh, organic ingredients in its

beverages. Although beverage industry experts recommended that Sweet Leaf replace the organic cane sugar and honey it uses with less costly high-fructose corn syrup, Sweet Leaf refused because of the company's mission to provide a high-quality, organic beverage to consumers. The 11-year old company has 50 employees, and its products are available in 30% of the U.S. market. Sweet Leaf Tea recently received multi-million-dollar investments which will enable the business to expand its national presence. Which one of the following, if true, best supports the idea that Sweet Leaf Tea has implemented a competitive strategy of differentiation?

B) Loyal customers of Sweet Leaf Tea seek products that are USDA certified organic despite the associated higher costs.

26. A company's \_\_\_\_\_ strategy identifies how to build and strengthen the business's longterm competitive position in the marketplace

D) competitive

27. Which one of the following refers to any factors that allow a company to differentiate its product or service from those of its competitors to increase market share?

B) competitive advantage

28. A company's business-level strategy identifies the \_\_\_\_\_.

A) ways to strengthen a firm's long-term competitive position in the marketplace

29. Companies like Ferrari are known as \_\_\_\_\_ because they carve out a market niche and compete by providing a product that customers can attain in no other way.

B) focusers

30. Which one of the following strategies identifies the broad activities that each department will pursue in order to help a business attain its competitive goals?

D) functional

31. A firm's functional strategies identify the broad activities that each \_\_\_\_\_ will do in order to help the business accomplish its strategic goals.

B) department

32. John wants his shoe store to adopt the strategy of having the lowest prices on shoes in town. John is adopting which competitive strategy?

C) cost leadership

33. Every fast-food hamburger purveyor advertises that its product is better in some way than its competitors. This is an example of a \_\_\_\_\_ competitive strategy.

C) differentiation

34. During the development of corporate strategies, HR managers are able to provide \_\_\_\_\_.

D) information about competitors' incentive plans

35. Stitched by Design, Inc., has decided to advertise on the Internet to market to prospective customers beyond her local neighborhood. In so doing, SbD is following a \_\_\_\_\_ corporate strategy.

D) geographic expansion

36. Lauren is identifying what each department in her company must do to help the business accomplish its strategic goals. These are known as \_\_\_\_\_ strategies.

C) functional

37. \_\_\_\_\_ is a strategic planning tool that shows how each department performance contributes to achieve the company's overall strategic goal.

D) A strategy map

38. Formulating and executing human resource policies and practices that produce the employee competencies and behaviors a company needs to achieve its strategic aims is known as \_\_\_\_\_.

A) strategic human resource management

39. The primary purpose of strategic human resource management is to \_\_\_\_\_.

B) integrate a company's strategic plan with its human resource strategies

40. In order to generate the desired workforce skill, competencies, and behaviors that a firm needs to achieve its strategic goals, human resource management must first develop \_\_\_\_\_.

A) strategic plans

41. John is a manager looking at HR scorecard data through a \_\_\_\_\_, which presents the manager with desktop graphs and charts, showing a computerized picture of how the company is doing on all the metrics from the HR scorecard process.

A) digital dashboard



42. Which one of the following is the final step in the strategic human resource management process?

C) The manager asks, "Specifically what recruitment, selection, training, and other HR policies and practices should we put in place so as to produce the required employee skills and behaviors?"

43. Human resource strategies are the \_\_\_\_\_ used to support a firm's strategic goals.

B) policies and practices

44. The \_\_\_\_\_ is a process for assigning financial and nonfinancial goals or metrics to the human resource management-related strategy-map chain of activities required for achieving the company's strategic aims.

A) HR scorecard

45. Which one of the following is a strategic planning tool that offers an overview of how each department's performance contributes to achieving the company's overall strategic goals?

C) strategy map

46. Which one of the following refers to a process for assigning financial and nonfinancial goals to the HR management-related chain of activities required for achieving the company's strategic aims and for monitoring results?

B) HR scorecard

47. A \_\_\_\_\_ presents a manager with desktop graphs and charts that illustrate where the company stands on metrics from the HR scorecard process.

D) digital dashboard

48. The concise measurement system used by companies to show the quantitative standards the firm uses to measure HR activities, employee behaviors resulting from the activities, and the strategically relevant organizational outcomes of those employee behaviors is called a(n) \_\_\_\_\_.

B) HR scorecard

49. Which one of the following is used to manage employee performance and to align all employees with the key objectives a firm needs to achieve its strategic goals?

B) HR scorecard

50. Which one of the following terms refers to the quantitative measure of a human resource management yardstick such as employee turnover or qualified applicants per position?

B) human resource metrics

51. The use of human resource metrics is essential for \_\_\_\_\_.

D) evidence-based management

52. \_\_\_\_\_ refers to the process of comparing and analyzing the practices of one firm with those of a high-performing company?

A) Benchmarking

53. An \_\_\_\_\_ refers to an analysis by which an organization measures where it currently stands and determines what it has to accomplish to improve its HR functions?

D) HR audit

54. All of the following are commonly addressed in an HR audit EXCEPT \_\_\_\_\_.

C) accounting expenses

55. Which term refers to software applications used to analyze and draw conclusions from HR data?

B) talent analytics

56. Executives at Hartford Clothing, a retail department store chain, want to find out what products their customers buy, when they purchase products, and what days of the week are most popular for shopping. Executives want to discover customer patterns and make predictions about their customers' buying habits. What would be the most effective tool for Hartford?

A) data mining system

57. Which one of the following questions would LEAST likely be answered by the use of talent analytics software?

B) What hiring policies are standard in the industry?

58. An HR manager conducting an HR audit on compensation would most likely search for \_\_\_\_\_.

D) compliance with state and federal laws

59. Like the scientific method, evidence-based HR management should have all of the following characteristics EXCEPT \_\_\_\_\_.

C) subjectivity

60. What tool might be best used to assess recruitment effectiveness?

A) computerized applicant tracking systems

61. Which one of the following terms refers to a set of human resource management policies and practices that promote organizational effectiveness?

C) high-performance work system

62. High-performance work organizations are most likely characterized by all of the following EXCEPT \_\_\_\_\_.

D) commitment to high production rates

63. All of the following practices are most likely implemented by companies with highperformance work systems EXCEPT \_\_\_\_\_.

B) providing pay increases based on service years

64. Reese Enterprises seeks to fill upper-level positions internally whenever possible and uses validated selection tests when considering external hires. This most likely suggests the company is developing a \_\_\_\_\_.

A) high-performance work system

65. MAX Computers manufactures affordable laptops, desktops, and tablets at its factory in Arizona. MAX has experienced a moderate amount of financial success, but upper management wants the firm to grow at a faster rate and become a bigger player in the highly competitive computer market. The firm's greatest problems relate to its employees. Employee turnover is high—most employees at MAX leave within two years or less of being hired. In addition, the rate of productivity among employees is not as high as executives would like. The vice president of human resources is considering moving MAX towards a high-performance work system. Which one of the following best supports the argument that MAX should move towards a highperformance work system?

D) Using advanced recruitment and hiring practices will allow MAX to improve employee productivity.

66. MAX Computers manufactures affordable laptops and desktops at its factory in Arizona. MAX has experienced a moderate amount of financial success, but upper

management wants the firm to grow at a faster rate and become a bigger player in the highly competitive computer market. The firm's greatest problems relate to its employees. Employee turnover is high—most employees at MAX leave within two years or less of being hired. In addition, the rate of productivity among employees is not as high as executives would like. The vice president of human resources is considering moving MAX towards a high-performance work system. Which one of the following questions is most relevant to MAX's decision to move toward a high-performance work system?

A) How would the implementation of self-managing work teams affect employee morale and work standards at MAX?

67. Which one of the following is most likely a true statement about high-performance companies?

A) Employees receive extensive training.

68. The primary purpose of implementing high-performance practices such as recruiting, screening, and training is to \_\_\_\_\_.

C) produce superior employee performance

69. According to the text, approximately what percentage of the U.S. workforce feels engaged?

B) 21-30%

70. Which one of the following is NOT one of the steps KIA UK used in their employee engagement HR strategy?

B) focused on bonus-based compensation

#### Open questions:

1. Why is strategic planning important to managers? Explain the importance of setting hierarchical goals.

Strategic planning is crucial for managers as it ensures a coherent chain of goals from top management down to employees. Setting hierarchical goals helps align everyone's efforts towards achieving overall strategic objectives, preventing confusion and ensuring coordinated action throughout the organization.

2. What is strategic management? List and explain each step in the strategic management process.

Strategic management involves aligning the organization's mission with its capabilities and environment. The process includes:

1. Defining current business and mission - Identify the organization's current business activities and its mission statement.
2. Environmental analysis - Assess both the external environment and internal environment through methods like environmental scanning and SWOT analysis.
3. Developing vision and mission - Create vision and mission statements that articulate the organization's desired future state and purpose.
4. Setting strategic goals - Translate the desired direction into specific, measurable, achievable, relevant, and time-bound strategic goals.
5. Choosing strategies - Determine the courses of action needed to achieve the strategic goals.
6. Strategy implementation - Translate selected strategies into action by making operational decisions, such as resource allocation and organizational changes.
7. Evaluation and adjustment - Regularly assess the progress of strategic decisions, measure outcomes against goals, and adjust strategies as needed based on evaluation results.

**3. Explain the difference between a firm's vision and its mission. How might these impact the actions of an organization?**

Vision - Future-oriented statement indicating the desired direction and aspirations of the organization.

Mission - Present-oriented statement describing the organization's current purpose and activities.

**4. Identify the three levels of strategic planning and describe the function of each level. What is the relationship between human resource strategy and a firm's strategic plans?**

Corporate-level strategy - Identifies the company's portfolio of businesses and their relationships.

Business/competitive-level strategy - Strengthens the business's competitive position in the marketplace.

Functional-level strategies - Determine departmental actions to support competitive goals, including HR strategies aligning workforce capabilities with strategic aims.

Human resource strategy ensures that HR policies and practices support the organization's strategic plans by aligning workforce capabilities with strategic objectives.

5. In a brief essay, describe the three types of competitive strategies that firms use to achieve competitive advantage. Support your answer with examples of organizations that currently use each of the strategies.

Cost leadership - Focuses on offering the lowest prices or achieving efficiency as a competitive advantage. Example: Walmart.

Differentiation - Emphasizes unique features or qualities to distinguish the company from competitors. Example: Target, with its emphasis on more upscale brands.

Focus - Targets a specific niche in the market. Example: Ferrari, which offers a unique product catering to a specific customer segment.

6. In a brief essay, explain how the strategy map, the HR scorecard, and the digital dashboard are used in strategic human resource management.

Strategy map - Illustrates how each department's performance contributes to achieving overall strategic goals, providing a "big picture" understanding.

HR scorecard - Assigns financial and nonfinancial metrics to HR activities, aiding in monitoring results and aligning HR efforts with strategic aims.

Digital dashboard - Presents real-time trends and performance metrics, allowing managers to track progress and take corrective action efficiently.

7. What are human resource metrics? Why are human resource metrics important in high-performance work systems?

Human resource metrics are quantitative measures of HR management aspects like employee turnover and training hours per employee. They're crucial in high-performance work systems for benchmarking against top-performing companies and identifying areas for improvement.

8. What are the HR uses of data analytics and big data?

Data analytics - Utilizes statistical analysis and algorithms to find relationships and make predictions, such as predicting consumer behavior in online bookstores.

Data mining - Involves sifting through large datasets to discover new patterns and correlations, aiding in improving practices like employee selection.

Big data - Analyzes extremely large datasets with high volume, velocity, and variety, allowing for real-time adaptation and capitalizing on diverse data sources like customer transactions, mobile phones, GPS, and social networks.

**9. What is a high-performance work system? What role does strategic human resource management play in high-performance work systems?**

A high-performance work system (HPWS) is a set of HR policies and practices that enhance organizational effectiveness. Strategic human resource management (SHRM) plays a crucial role in HPWS by aligning HR strategies with the company's strategic goals to maximize the quality of human capital and achieve strategic aims.

**10. Discuss the four steps managers can take to foster employee engagement.**

1. Ensure employees understand how their departments contribute to company success by aligning department goals with strategic objectives.
2. Communicate progress towards company goals to help employees see their contribution to overall success.
3. Provide opportunities for employees to feel a sense of accomplishment and recognize their role in the organization.
4. Foster high involvement through self-managing teams or granting autonomy, which enhances employee engagement and satisfaction.

## **Chapter 4**

1. Which term refers to the holistic, integrated and results- and goal-oriented process of planning, recruiting, selecting, developing, managing, and compensating employees?

D) talent management

2. Connor, a manager at a boat manufacturing firm, takes a talent management approach to his duties. Which one of the following would Connor most likely do?

A) coordinate recruitment and compensation activities

3. Which one of the following terms refers to the procedure used to determine the duties associated with job positions and the characteristics of the people to hire for those positions?

C) job analysis

4. The information resulting from a job analysis is used for writing \_\_\_\_\_.

A) job descriptions

5. All of the following types of information will most likely be collected by a human resources specialist through a job analysis EXCEPT \_\_\_\_\_.

D) employee benefits options

6. A manager uses the information in a job analysis for all of the following EXCEPT \_\_\_\_\_.

B) complying with FCC regulations

7. Which one of the following most likely depends on a job's required skills, education level, safety hazards, and degree of responsibility?

A) employee compensation

8. In order for Hollis Construction to be in full compliance with the Americans with Disabilities Act, the manager needs a \_\_\_\_\_ for each position to validate all human resource activities.

D) job analysis

9. Allison, a manager at a large clothing retail store, needs to determine essential duties that have not been assigned to specific employees. Which one of the following would most likely provide Allison with this information?

C) job analysis

10. The \_\_\_\_\_ lists a job's specific duties as well as the skills and training needed to perform a particular job.

D) job description

11. Jennifer, a manager at an engineering firm, has been assigned the task of conducting a job analysis. What should be Jennifer's first step in the process?

A) deciding how the gathered information will be used

12. Which one of the following is a written statement that describes the activities, responsibilities, working conditions, and supervisory responsibilities of a job?

C) job description

13. Which one of the following refers to the human requirements needed for a job, such as education, skills, and personality?

A) job specifications



14. All of the following requirements are typically addressed in job specifications EXCEPT \_\_\_\_\_.

D) working conditions

15. Which one of the following indicates the division of work within a firm and the lines of authority and communication?

C) organization chart

16. A(n) \_\_\_\_\_ shows the flow of inputs to and outputs from a job being analyzed.

B) process chart

17. A workflow analyst would most likely focus on which one of the following?

C) a single, identifiable work process

18. Which one of the following is an example of business process reengineering?

A) using computerized systems to combine separate tasks

19. During the job analysis process, it is important to \_\_\_\_\_ before collecting data about specific job duties and working conditions.

C) select a sample of similar jobs to analyze

20. The fourth step in conducting a job analysis most likely involves collecting data about all of the following EXCEPT \_\_\_\_\_.

C) employee turnover rates

21. While performing the fifth step of a job analysis, it is essential to confirm the validity of collected data with the \_\_\_\_\_.

D) worker

22. During the job analysis process, the primary purpose of having workers review and modify data collected about their current positions is to \_\_\_\_\_.

A) confirm that the information is correct and complete

23. What is the final step in conducting a job analysis?

A) writing a job description and job specifications

24. Murray, Inc. emphasizes a desire for detail-oriented, motivated employees with strong social skills as indicated in the firm's job \_\_\_\_\_.

A) specifications

25. The primary drawback of performing a job analysis regards the \_\_\_\_\_.

C) amount of time a job analysis takes to complete

26. Job \_\_\_\_\_ means assigning workers additional same-level activities.

C) enlargement

27. Which one of the following terms refers to systematically moving workers from one job to another?

A) job rotation

28. Which one of the following terms refers to redesigning jobs in a way that increases the opportunities for the worker to experience feelings of responsibility, achievement, growth, and recognition?

B) job enrichment

29. Who argued that the best way to motivate workers is to build opportunities for challenge and achievement into their jobs via job enrichment?

C) Frederick Herzberg

30. Jack is an employee at a Best Western Hotel. Some weeks he works with the catering group, and other weeks he assists the reservations clerk or the parking attendant. This is an example of \_\_\_\_\_.

B) job rotation

31. The rethinking and redesign of business processes to achieve dramatic improvements in performance is called \_\_\_\_\_.

B) reengineering

32. Which one of the following data collection techniques would be most useful when writing a job description for a software engineer?

B) interviewing employees

33. Which one of the following guidelines is most likely recommended to managers conducting a job analysis?

D) Ensure that the questions and the process are clarified to employees.

34. Which method for collecting job analysis information is considered best for quantifying the relative worth of a job for compensation purposes?

D) position analysis questionnaire

35. Jerome, a manager at an electronics company, needs to gather job analysis information from a large number of employees who perform similar work. Which one of the following would be most appropriate for Jerome?

C) holding a group interview with a supervisor

36. Which one of the following is the primary disadvantage of using interviews to collect job analysis data?

B) Employees may exaggerate or minimize some information.

37. Interviews for the purpose of collecting job analysis data will most likely address all of the following topics EXCEPT \_\_\_\_\_.

D) personal hobbies

38. Job analysts collecting information through observations and interviews benefit from the use of a(n) \_\_\_\_\_ to guide the process and ensure consistency.

A) structured list

39. Which one of the following is the primary disadvantage of using questionnaires to gather job analysis information?

D) Developing and testing questionnaires is time-consuming.

40. For which of the following jobs is direct observation NOT a recommended method for collecting job analysis data?

C) attorney

41. One of the problems with direct observation is \_\_\_\_\_, which is when workers alter their normal activities because they are being watched.

C) reactivity

42. A \_\_\_\_\_ is the time it takes to complete a job.

A) work cycle

43. Which data collection method is most frequently used in conjunction with direct observation?

A) interview

44. Which one of the following requires workers to make daily listings of the activities in which they engage as well as the amount of time each activity takes?

D) log

45. Joaquin records every activity in which he participates at work along with the time it takes him to complete each activity. Which of the following approaches to job analysis data collection is most likely being used at Joaquin's workplace?

A) diaries

46. Pocket dictating machines and pagers have replaced traditional diary/log methods in many firms. Which one of the following problems have the modern methods most likely eliminated?

B) employee forgetfulness regarding daily activities

47. Purrfect Pets is a local pet supply store with a following of loyal customers who appreciate the personal service the store's employees provide. After a very profitable year, Purrfect Pets is expanding by opening two more stores. Before hiring employees for the new stores, the manager is considering the idea of conducting a job analysis for each position. Which one of the following, if true, would best support the argument that the manager should conduct group interviews to gather job analysis information?

D) Numerous employees at Purrfect Pets perform similar tasks during the work day.

48. Purrfect Pets is a local pet supply store with a following of loyal customers who appreciate the personal service the store's employees provide. After a very profitable year, Purrfect Pets is expanding by opening two more stores. Before hiring employees for the new stores, the manager is considering the idea of conducting a job analysis for each position. Which one of the following, if true, would best support the argument that the manager should use a position analysis questionnaire to collect job analysis information?

B) Management wants to develop a pay scale for all employees at Purrfect Pets.

49. Purrfect Pets is a local pet supply store with a following of loyal customers who appreciate the personal service the store's employees provide. After a very profitable year, Purrfect Pets is expanding by opening two more stores. Before hiring employees for the new stores, the manager is considering the idea of conducting a job analysis for each position. Which one of the following, if true, undermines the argument that the Purrfect Pets manager should observe workers in order to gather job analysis information?

C) The tasks of most Purrfect Pets employees vary widely from day to day.

50. What is the primary benefit of using a position analysis questionnaire to gather data for a job analysis?

C) classifying jobs for the purpose of assigning salaries

51. A(n) \_\_\_\_\_ is used to collect quantifiable data concerning the duties and responsibilities of various jobs.

C) position analysis questionnaire

52. Experts at the \_\_\_\_\_ performed the earliest form of job analysis and published the Dictionary of Occupational Titles.

B) DOL

53. What are the three main categories used in the Dictionary of Occupational Titles to rate, classify, and compare different jobs?

C) data, people, things

54. The Department of Labor procedure uses a set of standard basic activities known as \_\_\_\_\_ to describe what a worker must do with respect to data, people, and things.

A) worker functions

55. What has been the most significant impact of modern technology on job analysis methods?

B) Corporate use of the Internet and intranet has enabled HR managers to distribute and collect job analysis surveys to employees in multiple geographic locations.

56. The most important consideration when developing an online job analysis is to \_\_\_\_\_.

A) make questions and the process as clear as possible

57. Most job descriptions contain sections that cover all of the following EXCEPT \_\_\_\_\_.

D) required overtime

58. What type of information is contained in the job identification section of a job description?

A) job title

59. Which one of the following is identified by the FLSA status section of a job description?

B) whether a job is exempt or nonexempt

60. The \_\_\_\_\_ classifies all workers into one of 23 major groups of jobs that are subdivided into minor groups of jobs and detailed occupations.

C) Standard Occupational Classification

61. According to the \_\_\_\_\_, an individual must have the requisite skills, educational background, and experience to perform a job's essential functions.

B) ADA

62. An employer is required to make a "reasonable accommodation" for a disabled individual in which one of the following situations?

A) if a disabled person has the necessary skills, education, and experience to perform the job but is prevented by the job's current structure

63. According to the ADA, job duties that employees must be able to perform, with or without reasonable accommodation, are called \_\_\_\_\_.

B) essential job functions

64. Which one of the following Web sites was developed by the U.S. Department of Labor and serves as a source for managers who need to write job descriptions?

D) onetcenter.org

65. Janice, a department store manager, is in the process of writing job descriptions using O\*NET. Janice has already reviewed the company's business plan, so what should be her next step?

C) develop an organization chart

66. Which of the following is the primary source of information an employer uses to write a job specification?

B) job description

67. When a sales job is being filled by an untrained individual, the job specifications list will most likely include \_\_\_\_\_ as a way to predict which candidate will perform the job well.

D) personality traits

68. According to research, each of the following work behaviors is considered important in all jobs EXCEPT \_\_\_\_\_.

B) experience

69. Which one of the following describes a job in terms of measurable and observable behaviors that an employee must exhibit to do the job well?

A) competency-based job analysis

70. Which one of the following questions will most likely be addressed by a manager who is writing a job description based on a competency-based job analysis?

D) What should the employee be able to do in order to competently perform this job?

71. Which one of the following best supports the argument that jobs should be described in terms of competencies rather than duties?

C) In high-performance work systems, employees serve as team members rotating among various jobs.

#### Open questions:

1. How does job analysis support human resource management activities? Briefly describe one of the methods commonly used for gathering job analysis data.

Job analysis supports human resource management activities by providing crucial information about job requirements, which aids in recruitment, selection, training, performance appraisal, and compensation decisions. One commonly used method for gathering job analysis data is through structured interviews, where specific questions are asked to gather detailed information about job duties, responsibilities, and required qualifications from employees or supervisors.

2. What are the steps involved in the job analysis process? Briefly discuss the methods available for collecting job analysis information.

Six steps in the job analysis process:

- Determine how the information will be used.
- Review relevant background information.
- Select representative positions.
- Analyze the job.
- Verify information with workers and supervisors.
- Develop job descriptions and specifications.

Methods for collecting job analysis information:

- Interviews - Directly questioning employees or supervisors about job duties, responsibilities, and activities.
- Questionnaires - Distributing written surveys to employees to gather information about their job tasks, skills, and qualifications.
- Observations - Watching employees perform their job tasks to document their activities and responsibilities.
- Diary/logs - Having employees keep records of their daily tasks and activities over a period of time to provide insights into their job roles and responsibilities.

### 3. What are the differences between job enlargement, job rotation, and job enrichment?

Job enlargement - Involves adding more tasks of the same level to a worker's existing job.

Job rotation - Systematically moves workers from one job to another to broaden their experience and skills.

Job enrichment - Redesigns jobs to increase responsibility, achievement, growth, and recognition opportunities, empowering employees and enhancing motivation and productivity.

### 4. What time-saving options are available to a busy manager who needs to conduct a job analysis and write job descriptions? Explain your answer in a brief essay.

To save time on conducting job analysis and writing job descriptions, busy managers can opt for group interviews with employees performing similar work, allowing for quick and cost-effective data gathering. Additionally, utilizing online resources like O\*NET and jobdescription.com provides access to comprehensive information about various occupations, streamlining the process of crafting job descriptions.

### 5. What are the advantages and disadvantages of using interviews to collect job analysis data?

#### Advantages

- Simplicity and quickness in gathering data.
- Skilled interviewers can uncover nuanced information.
- Ability to discover occasional or informal job activities.
- Opportunity to explain the purpose of job analysis.

#### Disadvantages

- Risk of information distortion, whether intentional or unintentional.



**6. How has modern technology, such as the Internet, changed job analysis methods? How has the Internet improved the ability of managers to write job descriptions?**

Modern technology, like the Internet, has revolutionized job analysis methods by enabling the distribution of standardized questionnaires to geographically dispersed employees through company intranets. Additionally, the Internet has improved managers' ability to write job descriptions by providing access to platforms like O\*Net and jobdescription.com, which offer comprehensive information about various occupations and necessary qualifications.

**7. How does the ADA affect hiring practices? How does an HR manager determine whether or not a job description complies with the ADA?**

The ADA requires individuals to have the necessary skills, education, and experience to perform a job's essential functions. Essential functions are those that are the reason for the job's existence or are highly specialized. If a disabled individual cannot perform the job as structured, the employer must provide reasonable accommodations unless it causes undue hardship. While the ADA doesn't mandate job descriptions, having them helps clarify essential job functions, which is crucial in ADA-related legal actions.

**8. In a brief essay, compare and contrast job descriptions and job specifications.**

**Job Description:**

- Describes what the worker does, how they do it, and the job's working conditions.
- No standard format, but typically includes sections for job identification, summary, responsibilities, authority, performance standards, working conditions.

**Job Specification:**

- Lists the knowledge, abilities, and skills required to perform the job satisfactorily.
- Answers the question, "What human traits and experience are required to do this job effectively?"
- May be a section of the job description or a separate document.

**9. A human resource manager needs to develop job specifications for a new position at her firm. She can either base the job specifications on statistical analysis or on common sense. Briefly describe each method and recommend which method the HR manager should use.**

The HR manager can develop job specifications either through common sense or statistical analysis.

Common sense method:

- Based on educated guesses from supervisors and HR managers.
- Involves reviewing job duties, competencies from web-based descriptions, and applying common sense to compile a list of required traits and skills.
- Ensures essential behaviors like industriousness are not overlooked.

Statistical analysis method:

- More defensible but challenging.
- Involves determining the statistical relationship between predictor traits (e.g., finger dexterity) and job performance criteria.
- Requires analyzing job performance data to establish predictive traits.

Recommendation: The HR manager should use the common sense method as it is simpler, quicker, and still allows for identifying essential job requirements effectively.

**10. What is a competency-based job analysis? Why should firms consider describing jobs in terms of competencies instead of duties?**

A competency-based job analysis describes a job in terms of measurable, observable behaviors that an employee must exhibit to perform the job well. Firms should consider describing jobs in terms of competencies instead of duties because it encourages self-motivation, empowers employees, and aligns with the principles of high-performance work systems.

## Chapter 5

1. What is the first step in the recruitment and selection process?

D) deciding what positions to fill

2. Sometimes mathematical models are insufficient to predict future personnel requirements. In this case, \_\_\_\_\_ may be necessary.

A) managerial judgment

3. \_\_\_\_\_ is the process of deciding what positions the firm will have to fill and how to fill them.

D) Workforce planning

4. Marcus, an HR manager for Samsung, must decide what positions the firm should fill in the next six months, which means Marcus is currently working on \_\_\_\_\_.

B) personnel planning

5. The process of deciding how to fill executive positions at a firm is known as \_\_\_\_\_.

B) succession planning

6. A firm's \_\_\_\_\_ should guide employment planning and determine the types of skills and competencies the firm needs.

D) strategic business planning

7. Succession planning requires making forecasts in three steps: \_\_\_\_\_, develop inside candidates, assess and choose those who will fill the key position.

A) identify key needs

8. Which one of the following terms refers to studying a firm's past employment needs over a period of years to predict future needs?

B) trend analysis

9. A trend analysis is limited in its usefulness because it \_\_\_\_\_.

D) overlooks the potential for changes in skills needed

10. Which one of the following determines future staff needs by comparing some causal factor, such as the number of sales people, with the results, such as sales volume?

A) ratio analysis

11. Newton Building Supplies hopes to generate an extra \$4 million in sales next year. A salesperson traditionally generates \$800,000 in sales each year. Using ratio analysis, how many new salespeople should Newton hire?

B) 5

12. When using either a trend analysis or a ratio analysis, it is assumed that \_\_\_\_\_ will remain the same.

C) productivity levels

13. A \_\_\_\_\_ is a graphical method used to help identify how two variables are related.

C) scatter plot

14. Pablo wants to figure out likely future employment needs for Slate Industries by examining past organizational employment needs of the company. This is an example of \_\_\_\_\_.

D) trend analysis

15. Which one of the following contains data regarding employees' education, career development, and special skills and is used by managers when selecting inside candidates for promotion?

B) skills inventories

16. When managers need to determine which current employees are available for promotion or transfer, they will most likely use \_\_\_\_\_.

B) skills inventories

17. Which one of the following refers to company records showing present performance and promotability of inside candidates for a firm's top positions?

D) personnel replacement charts

18. Skills inventories can be tracked and maintained by using all of the following EXCEPT a \_\_\_\_\_.

A) ratio analysis matrix

19. Workforce planning often involves paying continuous attention to workforce planning issues which is called \_\_\_\_\_.

B) predictive workforce monitoring

20. What mathematical process do employers use to forecast availability of internal job candidates that shows the probabilities that feeder positions in a chain will be filled?

C) Markov analysis

21. Maria Boyd has been hired by Barnum Hotels to manage staffing for the regional hotel chain. Barnum intends to open two new hotels within the next three years and will have many job positions to fill. Historically, employee turnover is high at Barnum as employees remain with the company for one or two years before quitting. Maria realizes that Barnum needs to make significant changes in its personnel strategy in order to meet the company's goals for the future and improve employee retention rates. Which one of the following, if true, best supports the argument that a scatter plot is the most appropriate tool for Maria to use in estimating future personnel needs?

B) The size of the two new Barnum hotels will be similar to the chain's other hotels.

22. Maria Boyd has been hired by Barnum Hotels to manage staffing for the regional hotel chain. Barnum intends to open two new hotels within the next three years and will have

many job positions to fill. Historically, employee turnover is high at Barnum as employees remain with the company for one or two years before quitting. Maria realizes that Barnum needs to make significant changes in its personnel strategy in order to meet the company's goals for the future and improve employee retention rates. Which one of the following, if true, best supports the argument that Maria should implement a computerized skills inventory database?

C) Barnum executives would like to transfer the firm's most qualified employees to the new hotels to fill supervisory positions.

23. The ongoing process of systematically identifying, assessing, and developing organizational leadership to enhance performance is known as \_\_\_\_\_.

B) succession planning

24. What is the first step in succession planning?

B) identifying and analyzing key position needs

25. All of the following are methods used by firms to develop high-potential candidates for future positions EXCEPT \_\_\_\_\_.

D) developing skills inventories

26. A Markov analysis is primarily used to \_\_\_\_\_.

C) forecast the availability of internal job candidates

27. Smith Industries is thinking of having another company take care of its benefits management. This is called \_\_\_\_\_.

A) outsourcing

28. Dixon Industries wants to engage in predictive workforce monitoring. As the HR manager at Dixon, you should most likely \_\_\_\_\_.

A) continuously monitor workforce planning issues

29. Bob needs to find and attract applicants to his company's open positions, which is known as \_\_\_\_\_.

D) employee recruiting

30. Finding or attracting applicants for an employer's open positions is known as \_\_\_\_\_.

B) employee recruiting

31. Recruiting is necessary to \_\_\_\_\_.

D) develop an applicant pool

32. A \_\_\_\_\_ is used to calculate the number of applicants a firm must generate to hire the required number of new employees.

C) recruiting yield pyramid

33. A recruiting yield pyramid is the historical arithmetic relationship between all of the following EXCEPT \_\_\_\_\_.

A) internal and external candidates

34. Which one of the following is the primary disadvantage of using internal sources of candidates to fill vacant positions in a firm?

B) potential to lose employees who aren't promoted

35. All of the following are characteristics of a job posting EXCEPT \_\_\_\_\_.

D) indicating the preferred number of applicants

36. Maria Boyd has been hired by Barnum Hotels to manage staffing for the regional hotel chain. Barnum intends to open two new hotels within the next three years and will have many job positions to fill. Historically, employee turnover is high at Barnum as employees remain with the company for one or two years before quitting. Maria realizes that Barnum needs to make significant changes in its personnel strategy in order to meet the company's goals for the future and improve employee retention rates. Which one of the following, if true, most likely undermines Maria's decision to fill top positions with inside candidates?

A) Barnum needs to head in a different direction with innovative ideas if it is to remain competitive with other hotel chains.

37. Maria Boyd has been hired by Barnum Hotels to manage staffing for the regional hotel chain. Barnum intends to open two new hotels within the next three years and will have many job positions to fill. Historically, employee turnover is high at Barnum as employees remain with the company for one or two years before quitting. Maria realizes that Barnum needs to make significant changes in its personnel strategy in order to meet the company's goals for the future and improve employee retention rates. All of the following questions are relevant to Mari's decision to fill top positions at the new hotels with internal candidates EXCEPT:

B) What percentage of employers in the service industry use succession planning?

38. Which one of the following is NOT a tool used by firms to recruit outside candidates?

B) intranet job postings

39. What is the primary purpose of an applicant tracking system?

C) assisting employers in attracting, screening, and managing applicants

40. Which one of the following factors plays the greatest role in determining the best medium for a job advertisement?

A) skills needed for the job

41. When constructing a job advertisement, all of the following are aspects of the AIDA guide EXCEPT \_\_\_\_\_.

B) implying long-term benefits

42. The \_\_\_\_\_ run by the U.S. Department of Labor enables public employment agency counselors to advise applicants about local and national job openings.

B) National Job Bank

43. Counselors in state-run employment agencies conduct all of the following activities EXCEPT \_\_\_\_\_.

B) filing employer tax reports

44. Which one of the following is typically responsible for paying the fees charged by a private employment agency when an applicant is placed in a job?

A) employers

45. An employer will most likely use a private employment agency in order to \_\_\_\_\_.

C) fill a specific job opening quickly

46. Which one of the following is the primary disadvantage for employers who use private employment agencies to fill positions?

B) Applicant screening may not be thorough.

47. Newton Manufacturing is using a private employment agency to recruit individuals for management positions. As the HR manager at Newton, you need to ensure that applicants are screened properly, so you should \_\_\_\_\_.

A) provide the agency with an accurate job description

48. Kate works as a nurse on temporary assignment for hospitals throughout the region on an asneeded basis. Kate is most likely \_\_\_\_\_.

A) working as a contingent worker

49. Which one of the following best explains why firms are using temporary workers more frequently?

D) weak economic confidence among employers

50. All of the following are common concerns that have been expressed to researchers by temporary employees EXCEPT \_\_\_\_\_.

A) being in compliance with equal employment laws

51. Jessica Garza is a manager at a large retail store. Currently, Jessica has four temporary workers under her supervision that a local staffing agency has provided. In which of the following tasks related to the temporary workers should Jessica become directly involved?

C) answering task-related questions

52. Which one of the following terms refers to the use of nontraditional recruitment sources?

D) alternative staffing

53. \_\_\_\_\_ are special employment agencies retained by employers to seek out top management talent for their clients.

D) Executive recruiters

54. Which one of the following has improved the ability of executive recruiters to find potential candidates?

B) Internet databases

55. Which one of the following is a service that provides short-term specialized recruiting to support specific projects without the expense of retaining traditional search firms?

C) on-demand recruiting services

56. What is the typical compensation structure for on-demand recruiting services?

A) hourly rate



57. Pamlico River Productions is seeking a top-level manager to oversee its finance division. Qualified candidates can be difficult to find, so the business would most likely benefit from using a(n) \_\_\_\_\_ to recruit potential candidates.

A) executive recruiter

58. A small software firm is seeking several permanent employees with experience in the semiconductor industry and advanced degrees in computer science. The firm is a small one and cannot afford to pay a traditional recruiting firm a fee of 30% per each hire's salary. Instead, this firm should consider using a(n) \_\_\_\_\_.

D) on-demand recruiting service

59. Approximately what percentage of new college graduates are hired to fill externally filled jobs that require a college degree?

D) 40%

60. Which one of the following is a primary goal of college recruiters?

D) attracting good candidates

61. In regard to on-campus recruiting, which one of the following is most likely to help sell the employer to the interviewee?

B) sincerity of the recruiter

62. Which one of the following would be the best option for a business that needs to attract local applicants for hourly jobs?

D) walk-ins

63. What is an advantage of using employee referral campaigns?

B) Applicants have received realistic job previews.

64. Temporary workers are considered a type of \_\_\_\_\_ staff.

A) alternative

65. Which Web site is increasingly serving as a recruitment source for passive job candidates?

C) LinkedIn

66. \_\_\_\_\_ often have trouble getting placed in jobs.

C) Military personnel

67. Which one of the following motivates most employees over 65 to work?

B) schedule flexibility

68. Smith Industries has set a goal of recruiting minority applicants. Which one of the following methods is LEAST likely to be successful for Smith Industries?

C) utilizing executive recruiters

69. Which one of the following is information that should NOT be requested on application forms?

C) marital status

70. Which one of the following is most likely a true statement about mandatory alternative dispute resolution agreements?

B) Judicial appeals and reconsideration are available if legal errors occur.

#### Open questions:

1. In a brief essay, explain what workforce planning is and how it fits with the organization's strategic planning.

Workforce planning is the process of deciding what positions the firm will have to fill, and how to fill them. It embraces all future positions, from maintenance clerk to CEO. Employment planning should flow from the firm's strategic plans. Thus, plans to enter new businesses or reduce costs all influence the types of positions you'll need to fill or eliminate.

2. What tools are available for projecting personnel needs? Provide your answer in a brief essay.

Several tools are available for projecting personnel needs.

- Trend analysis involves studying employment variations over recent years to estimate future staffing needs.
- Ratio analysis forecasts based on historical ratios between causal factors like sales volume and required employees.
- Scatter plots graphically depict the relationship between variables, such as sales and staffing levels, aiding in personnel projection.

3. What methods are used by both small and large firms to forecast the supply of inside candidates?

Both small and large firms use methods to forecast the supply of inside candidates.

- Small firms often rely on manual devices like qualification inventories, which track employee performance, education, and promotability. Personnel replacement charts are used for top positions, indicating present performance and promotability of potential replacements.
- Larger firms utilize computerized systems, integrating skill inventories with other HR systems. This automation ensures real-time updates, such as skills inventory updating after training or appraisals.

#### 4. What are the pros and cons associated with using internal sources of job candidates? What are the pros and cons of using Internet recruiting to locate external sources of job candidates?

Using internal sources of job candidates offers advantages such as familiarity with strengths and weaknesses, higher commitment, potential morale boost, and less orientation needed. However, it may lead to discontent among unsuccessful internal candidates and maintain the status quo in leadership. On the other hand, Internet recruiting is cost-effective and generates quick responses for a longer duration. Yet, it may inadvertently discriminate against older applicants and minorities and result in resume overload for employers.

#### 5. In a brief essay, discuss how an HR manager should use the guide AIDA to write a help wanted advertisement.

HR managers can effectively utilize the AIDA guide (Attention, Interest, Desire, Action) to craft compelling help wanted advertisements.

- Firstly, attention-grabbing phrases are essential to attract readers.
- Secondly, generating interest through job aspects like location or impact is crucial.
- Thirdly, creating desire by highlighting perks such as travel opportunities or challenges can be enticing.
- Finally, prompting action with a clear call-to-action like "Call today" concludes the advertisement. Providing specific job information enhances attractiveness and credibility.

#### 6. Why do employers turn to private employment agencies for assistance in recruiting? Provide at least four reasons for the use of such employment agencies.

Employers turn to private employment agencies for various reasons.

- Firstly, it eliminates the need for internal HR specialists.
- Secondly, it enables quick filling of positions.
- Thirdly, agencies can aid in recruiting minority and female applicants.

- Lastly, they facilitate reaching out to candidates already employed elsewhere, thus reducing recruiting time.

### 7. What policies and procedures are critical for companies that use temporary agencies for contingent workers?

Companies utilizing temporary agencies for contingent workers should ensure critical policies and procedures are in place. They should review agency invoices, utilize time sheets for verification and fee agreement, inquire about policies for hiring temps permanently, clarify recruitment practices and benefits, specify dress code expectations, obtain non-discrimination statements, and provide detailed job requirements to the agency.

### 8. What are the differences between the two types of executive recruiters? How do firms benefit from using executive recruiters?

Executive recruiters come in two types: **contingent and retained**. Retained recruiters are paid regardless of hiring outcome and focus on higher-paying executive positions, while contingent recruiters handle mid-level management roles. Recruiters provide valuable benefits such as extensive networks, access to passive candidates, confidentiality, time-saving screening, and cost-effectiveness compared to executive time spent on hiring.

### 9. Why is effective recruiting a challenge for many employers? What methods can employers use to effectively recruit a more diverse workforce?

Effective recruiting poses challenges for employers due to varying effectiveness of recruitment methods, influence of non-recruitment factors like compensation, and compliance with employment laws. To recruit a more diverse workforce, employers should prioritize diversity recruitment goals, understand and address barriers for minority applicants, formulate targeted recruitment plans, and implement specific diversity-focused programs into recruitment efforts.

### 10. In a brief essay, discuss how EEO laws affect both recruiting and the information requested on job application forms.

EEO laws have a significant impact on recruiting practices and the information requested on job application forms. Employers using the Internet for recruitment must ensure compliance with EEO laws, as online applications may inadvertently exclude older applicants and minorities. To comply, employers must track applicants' race, sex, and ethnic group, with applicants meeting specific criteria to be considered. Job application forms must adhere to EEO guidelines, avoiding questions that may reveal age, arrest records, or associations that could disclose protected characteristics. Inquiries about

physical handicaps or past illnesses are permissible only if relevant to job performance. EEO laws thus shape both recruitment strategies and the content of job application forms to ensure fairness and prevent discrimination.

## Chapter 6

1. Which one of the following terms refers to hiring workers who have criminal backgrounds without proper safeguards?

B) negligent hiring.

2. A reliable employment test will most likely yield \_\_\_\_\_.

A) consistent scores when a person takes two alternate forms of the test.

3. If a person scores a 70 on an intelligence test on one day and scores 110 when retested on another day, you would most likely conclude that this test is \_\_\_\_\_.

D) unreliable

4. If a person scores a 78 on a test on one day and scores a 79 when retested on another day, you would most likely conclude that this test is \_\_\_\_\_.

C) reliable

5. Which one of the following terms refers to the consistency of scores obtained by the same person when retested with alternate forms of the same test?

B) reliability

6. Which one of the following best describes how to use a test-retest reliability estimate to assess reliability?

D) administer the same test to the same people at two different points in time and compare their test scores at time 2 with their scores at time 1

7. Which one of the following measures reliability by administering two different yet comparable tests and then comparing the two test scores?

B) equivalent form estimate

8. \_\_\_\_\_ is used as an estimate of reliability and involves administering a test with x number of items designed to assess a topic and then statistically analyzing the degree to which responses to the items vary together.

D) Internal comparison estimate

9. All of the following are used for estimating reliability of a test EXCEPT \_\_\_\_\_.

D) content validity measurement

10. When repetitive questions appear on a questionnaire, which one of the following is most likely being measured?

C) internal consistency

11. The unreliability of a test is best explained by all of the following EXCEPT \_\_\_\_\_.

D) failure to predict job performance

12. Which one of the following terms refers to the accuracy with which a test fulfills the function for which it was designed?

B) validity

13. Demonstrating the content validity of a test can be best accomplished by showing that \_\_\_\_\_.

C) the test is representative of important aspects of performance on the job

14. The first step in the test validation process is \_\_\_\_\_.

C) analyzing the job

15. Which one of the following is a graph that shows the relationship between test scores and job performance for a group of people?

D) expectancy chart

16. What is the primary disadvantage of using concurrent validation?

A) Current employees may not be representative of new applicants.

17. \_\_\_\_\_ validation is considered the most dependable method of validating an employment test.

B) Predictive

18. The process of cross-validating a test involves all of the following EXCEPT \_\_\_\_\_.

D) developing and analyzing a scatter plot of scores versus performance

19. According to the American Psychological Association, all of the following are rights of test takers EXCEPT the right to expect \_\_\_\_\_.

C) tests to be the only selection tools for a job

20. According to a survey, most employers who administer tests to applicants are measuring \_\_\_\_\_.

A) job skills

21. For over 40 years, Golden Creamery has been mixing up fresh, gourmet ice cream for customers. The company originated in Dallas and now boasts stores in 35 states. The business has primarily expanded by selling franchises to qualified candidates. Golden Creamery executives realize that the firm's success depends upon the success of each franchise. In the past, each individual franchise owner determined the best method for screening applicants. However, as the firm grows, Golden Creamery executives want to standardize the hiring process by requiring all franchisees to use the same preemployment tests. Which one of the following best supports the argument that Golden Creamery should use a certified psychologist to develop preemployment tests?

D) Golden Creamery needs to ensure that tests are legally and ethically appropriate.

22. For over 40 years, Golden Creamery has been mixing up fresh, gourmet ice cream for customers. The company originated in Dallas and now boasts stores in 35 states. The business has primarily expanded by selling franchises to qualified candidates. Golden Creamery executives realize that the firm's success depends upon the success of each franchise. In the past, each individual franchise owner determined the best method for screening applicants. However, as the firm grows, Golden Creamery executives want to standardize the hiring process by requiring all franchisees to use the same preemployment tests. Which one of the following, if true, supports the argument that Golden Creamery should require franchise owners to use the firm's preemployment tests?

C) Annual turnover rates for hourly employees of Golden Creamery stores are three times the rate of comparable businesses.

23. For over 40 years, Golden Creamery has been mixing up fresh, gourmet ice cream for customers. The company originated in Dallas and now boasts stores in 35 states. The business has primarily expanded by selling franchises to qualified candidates. Golden Creamery executives realize that the firm's success depends upon the success of each franchise. In the past, each individual franchise owner determined the best method for screening applicants. However, as the firm grows, Golden Creamery executives want to standardize the hiring process by requiring all franchisees to use the same preemployment tests. Which one of the following questions is most relevant to Golden Creamery's decision to implement preemployment testing for all franchises?

B) How will Golden Creamery ensure the confidentiality of an applicant's test results?

24. \_\_\_\_\_ tests include assessments of general reasoning ability and of specific mental abilities like memory and inductive reasoning.

D) Cognitive

25. Grafton Industries administers selection tests to job candidates. The tests measure a range of abilities including memory, vocabulary, verbal fluency, and numerical ability, so they are most likely \_\_\_\_\_ tests.

B) intelligence

26. All of the following are measured by aptitude tests EXCEPT \_\_\_\_\_.

C) temperament

27. As part of the selection process for a position at UPS, Jacques has been asked to lift weights and jump rope. which one of the following is most likely being measured by UPS?

C) physical abilities

28. Carlos recently participated in a selection test for a position at Northern Aeronautics. The test measured Carlos's finger dexterity and reaction time, so it was most likely a(n) \_\_\_\_\_ test.

A) motor ability

29. All of the following are most likely assessed on personality tests EXCEPT \_\_\_\_\_.

B) reasoning

30. According to experts, most people are hired for their qualifications and fired because of attitude, motivation, and \_\_\_\_\_.

C) temperament

31. Make a Picture Story and the Forer Structured Sentence Completion Test are examples of \_\_\_\_\_ tests.

D) projective

32. Which one of the following is a projective personality test?

C) Make a Picture Story

33. The Big Five personality dimensions include all of the following EXCEPT \_\_\_\_\_.

B) optimism



34. Which one of the following personality dimensions represents a tendency to exhibit poor emotional adjustment and experience negative effects such as anxiety, insecurity, and hostility?

A) neuroticism

35. \_\_\_\_\_ represents a tendency to be sociable, assertive, and active.

A) Extroversion

36. Michelle Simmons recently applied for a position with Pfizer Pharmaceuticals. Which personality trait most likely has the strongest correlation to Michelle's success as a pharmaceutical sales representative?

A) extroversion

37. Which personality characteristic refers to the disposition to be imaginative, nonconforming, and unconventional?

D) openness to experience

38. The tendency for one to be trusting, compliant, caring, and gentle is the personality dimension known as \_\_\_\_\_.

C) agreeableness

39. Which personality characteristic comprises both achievement and dependability?

C) conscientiousness

40. While some personality characteristics are associated with success in different types of jobs, which personality trait is most frequently associated with job performance in all jobs?

B) conscientiousness

41. Red Robin Gourmet Burgers is a national restaurant chain with nearly 36,000 employees that began as a small restaurant in Seattle. Over the years, Red Robin has attempted to develop a reputation as a fun, family restaurant that offers both excellent food and service. Red Robin's core values—honor, integrity, having fun, and continually seeking knowledge—serve as the basis for all of the firm's decisions and are even embroidered on the sleeves of every employee's uniform. As Red Robin continues to expand, executives are considering adding tests to the screening process. Which one of the following, if true, would best support the argument that Red Robin should use personality tests in the employee selection process?

B) Red Robin seeks outgoing, motivated, and compassionate employees to enhance the experience of its customers.

42. Red Robin Gourmet Burgers is a national restaurant chain with nearly 36,000 employee that began as a small restaurant in Seattle. Over the years, Red Robin has attempted to develop a reputation as a fun, family restaurant that offers both excellent food and service. Red Robin's core values—honor, integrity, having fun, and continually seeking knowledge—serve as the basis for all of the firm's decisions and are even embroidered on the sleeves of every employee's uniform. As Red Robin continues to expand, executives are considering adding tests to the screening process. Which one of the following, if true, would most likely undermine the argument that Red Robin should use achievement tests in the employee selection process?

B) Red Robin provides a two-week training session to all new hires, which are frequently college students with little experience in the restaurant industry.

43. An interest inventory compares an applicant's current interests with the interests of \_\_\_\_\_.

C) other people in various occupations

44. Which one of the following is used to measure job knowledge?

C) achievement tests

45. Talent analytics helps employers by \_\_\_\_\_.

D) identifying patterns and correlations that show what types of people succeed or fail.

46. With the work sampling technique, applicants are \_\_\_\_\_.

B) tested on their ability to perform several tasks crucial to performing the job of interest

47. Which one of the following is the primary advantage of the work sampling technique?

A) Applicants find it difficult to fake answers.

48. A(n) \_\_\_\_\_ is a multi-day simulation in which candidates perform realistic tasks in hypothetical situations and are scored on their performance.

C) management assessment center

49. Typical simulated exercises used in management assessment centers include all of the following EXCEPT \_\_\_\_\_.

C) motor skills assessments

50. Which one of the following is the primary advantage of using management assessment centers in the selection process?

D) Experts observe and appraise each candidate's leadership potential.

51. Work sampling, miniature job training, and video-based tests are examples of \_\_\_\_\_.

C) situational tests

52. Which one of the following terms refers to training candidates to perform several of the job's tasks and then assessing the candidates' performance prior to hire?

D) miniature job training

53. Carter Vacuums needs to hire 20 new employees to fill positions at its manufacturing facility. The HR department wants to minimize the costs related to screening applicants but also wants the assessment method to be highly valid to the specific jobs. Which one of the following would be the best choice for Carter Vacuums?

B) cognitive ability tests

54. Blue Bay Hotels is in the process of modifying the assessment methods the company uses to hire new employees. In the past, the hotel chain has been accused by minority organizations of violating EEO laws in its hiring practices. Which one of the following applicant assessment methods would most likely have the LEAST adverse impact on minorities?

C) work sampling technique

55. Marlana is applying for a job as an assembly worker at Honda. As part of the selection procedure, Marlana received classroom instruction and was asked to practice assembling windshield wipers onto cars. Marlana most likely participated in \_\_\_\_\_.

A) miniature job training and evaluation

56. As the HR manager at Johnson Manufacturing, Danté is responsible for deciding which selection tools are most appropriate. When deciding on a specific selection tool, Danté should most likely consider all of the following factors EXCEPT the tool's \_\_\_\_\_.

C) persistence

57. Employers most likely conduct background investigations and reference checks to verify a candidate's \_\_\_\_\_.

C) military service

58. According to surveys of HR managers, which one of the following is most frequently verified during an employment background investigation?

B) references

59. Which one of the following is the primary reason that firms conduct background investigations of job applicants?

C) uncover false information

60. Alesandro, a manager at Harwood Publishing, gave a bad reference to a former employee. Alesandro could most likely be accused of \_\_\_\_\_ if the information is both false and harmful.

D) defamation

61. Which one of the following methods for gathering background information about a job applicant is NOT recommended because of potential legal violations?

A) searching social networking sites for posted information about the applicant

62. According to state and federal laws, which one of the following actions is NOT required of employers who check background information on applicants?

D) providing a detailed rationale explaining the reason for any adverse action

63. In which one of the following situations is it NOT legal to require an applicant to take a polygraph test as part of the selection process?

D) cashier at J.C. Penney's

64. What type of screening device is designed to measure attitudes regarding tolerance of others who steal and other forms of counter productivity?

A) honesty tests

65. In which one of these situations is an employer allowed to administer a polygraph test?

D) Makesh has noticed on several occasions that the cash register records do not match the cash count at the end of the evening and suspects the thief may be an employee.

66. Graphology, a tool for assessing basic personality traits, is also called \_\_\_\_\_.

C) handwriting analysis

67. What type of screening is used to reduce absenteeism and establish a baseline for future insurance claims?

A) physical exams

68. Which one of the following is most likely true regarding substance abuse screening?

B) Some urine sample tests cannot distinguish between legal and illegal substances.

69. E-Verify is primarily used by employers to \_\_\_\_\_.

C) determine if an applicant is eligible to work in the U.S.

70. According to experts known as human lie detectors, which one of the following characteristics most likely indicates that a job candidate is being deceptive?

B) irregular breathing

### Open questions:

1. Why are tests and other screening tools an important aspect of employee selection?

What rights do test takers have during the testing process?

Tests and screening tools are crucial in employee selection as they help narrow the applicant pool, ensuring the hiring of the best candidates. These tools include tests, assessment centers, and background checks, aiding supervisors in making informed hiring decisions. Effective selection is vital for performance, cost management, and legal compliance. Test takers have rights to privacy, feedback, confidentiality, informed consent, fair treatment, and unbiased testing conditions. These rights ensure ethical testing practices and protect candidates' interests.

2. What is test validity? How are selection tests validated?

Test validity determines whether a test accurately measures what it's supposed to measure, particularly in employee selection where it should predict job performance. Validation involves a five-step process: job analysis, test selection, administration, correlation with criteria, and validation.

3. What is the difference between criterion validity and content validity? Which one is more difficult to demonstrate?

Criterion validity demonstrates that test scores correlate with job performance, while content validity shows that the test adequately covers job-related content. Although content validity may seem simpler, ensuring the test accurately represents job tasks and conditions can be challenging. Thus, criterion validity is often preferred for demonstrating a test's validity.

**4. In a brief essay, discuss the use and effectiveness of cognitive tests versus work sampling techniques for employee selection.**

Cognitive tests measure general intellectual abilities, while work sampling techniques assess job-specific tasks. Cognitive tests, like aptitude tests, gauge abilities such as memory, vocabulary, and numerical skills, potentially predicting job aptitude. Conversely, work sampling evaluates candidates' performance on actual job tasks, offering advantages like authenticity and fairness, particularly for minorities. Well-designed work samples often demonstrate higher validity for predicting job performance compared to cognitive tests.

**5. How would an employer benefit from using both personality tests and situational tests when screening job applicants?**

Employers benefit from using both personality tests and situational tests when screening job applicants. Personality tests reveal traits like motivation and interpersonal skills, which are crucial for job performance. Situational tests, like work sampling or miniature job training, assess applicants' ability to handle job-related scenarios, providing insight into their practical skills and suitability for the role. By combining both types of tests, employers gain a comprehensive understanding of candidates' capabilities and fit for the job.

**6. Industrial psychologists often emphasize the "big five" personality dimensions in personnel testing. List and explain the meaning of the big five dimensions. How do personality traits correlate with job performance?**

The "big five" personality dimensions are neuroticism, extroversion, openness to experience, agreeableness, and conscientiousness. Neuroticism relates to emotional instability, extroversion to sociability, openness to experience to imagination and independence, agreeableness to trust and cooperation, and conscientiousness to reliability and achievement orientation. Extroversion correlates with success in sales and leadership, while conscientiousness is a consistent predictor of job performance.

**7. What are three arguments against the use of personality tests as predictors of job performance?**

1. Interpretation difficulty - Projective tests require expert analysis to interpret, making it challenging to assess a test taker's personality accurately.
2. Legal challenges - Personality tests may raise legal concerns, such as potential violations of the Americans with Disabilities Act (ADA) if they screen out applicants with psychological impairments.

3. Predictive validity dispute - Some experts question whether self-report personality tests truly predict job performance, casting doubt on their effectiveness in selection processes. Additionally, individuals may fake responses, undermining the test's reliability.

**8. What is a management assessment center? What are some of the most common tasks conducted in management assessment centers?**

A management assessment center is a 2-3 day simulation where candidates engage in realistic management tasks under expert observation to assess leadership potential. Common tasks include the in-basket exercise, leaderless group discussion, management games, individual presentations, objective tests, and interviews. These centers serve purposes of promotion, development, and selection.

**9. How can employers protect themselves against negligent hiring?**

Employers can protect against negligent hiring by implementing thorough screening processes. This involves systematically gathering relevant information about candidates, verifying documentation, and conducting background checks and reference inquiries. Keeping detailed records of screening efforts is crucial. Additionally, honesty and drug testing can further mitigate risks associated with negligent hiring.

**10. Various federal and state laws govern how employers acquire and use applicants' and employees' background information. What four steps are necessary in order for an employer to be in compliance with these laws?**

1. Disclosure and authorization - Employers must inform applicants or employees about background checks and obtain written consent.
2. Certification - Employers must certify compliance with legal requirements to reporting agencies.
3. Provision of report copies - Employers must provide copies of reports to applicants or employees if adverse action is considered.
4. Notice after adverse action - After providing reports and a reasonable period elapses, employers must notify applicants or employees of adverse actions taken.

## **Chapter 7**

1. Which one of the following is the most commonly used selection tool?

C) interview

2. Which one of the following refers to a procedure designed to predict future job performance based on an applicant's oral responses to oral inquiries?

B) selection interview

3. When an interview is used to predict future job performance on the basis of an applicant's oral responses to oral inquiries, it is called a \_\_\_\_\_ interview.

B) selection

4. According to the text, selection interviews are classified by all of the following factors EXCEPT \_\_\_\_\_.

D) length

5. What is the type of interview which lists the questions ahead of time?

A) structured interview

6. Which one of the following is another term for an unstructured interview?

B) nondirective

7. Which one of the following is an advantage of using a nondirective format when interviewing job candidates?

C) pursues points of interest as they develop

8. Which one of the following is the primary disadvantage of using highly structured interviews during the employee selection process?

D) reduced opportunities for asking follow-up questions

9. How do situational interviews differ from behavioral interviews?

B) Situational interviews are based on how an applicant might behave in a hypothetical situation.

10. Which one of the following statements is representative of what might be asked in a behavioral interview?

A) "Consider a time when you were faced with an angry client. What did you do to turn the situation around?"

11. What type of interview would most likely include the statement, "Tell me about a time when you worked successfully in a team environment"?

B) behavioral



12. Which one of the following statements is representative of what might be asked in a situational interview?

B) "Suppose you were confronted with an angry customer who threatened to sue the company. What would you do?"

13. What type of interview would most likely include the following statement? "Imagine that you have just been assigned the task of winning the business of our competition's biggest client. How would you proceed?"

D) situational

14. In a stress interview, the interviewer \_\_\_\_\_.

B) tries to make the applicant uncomfortable in order to spot sensitivity

15. Which one of the following questions would most likely be asked during a stress interview?

A) "I see that you switched colleges four times before finally earning your degree. I think that reflects an inability to make good decisions and remain focused. What do you think?"

16. What type of interview would most likely include the following: "It must be difficult to leave a company after such strong accusations of unethical behavior. Tell me about that"?

C) stress

17. Which one of the following terms refers to a group of interviewers working together to question and rate one applicant?

B) board interview

18. Kevin is interviewing for a position as a public relations specialist in a communications firm. He first meets with the HR manager. Afterwards, he meets with the department manager. Finally, he meets with the company president. Kevin is most likely experiencing a \_\_\_\_\_ interview.

C) serial

19. In a \_\_\_\_\_ interview, a panel questions several candidates simultaneously.

D) mass

20. Dr. Ross is interviewing for a position as Assistant Professor of Biology. His interview is conducted by a team of other faculty members in the department who interview him

simultaneously and then combine their ratings into one score. This is an example of a \_\_\_\_\_ interview.

B) panel

21. An employer can most likely increase the reliability of a panel interview by \_\_\_\_\_.

C) providing interviewers with scoring sheets and sample answers

22. Ellen is interviewing along with several other talented candidates for a position as a journalist at a newspaper. A team of interviewers will meet with all the candidates at once. The team will pose problems to the candidates and see which candidate takes the lead in formulating an answer. This is most likely an example of a \_\_\_\_\_ interview.

C) mass

23. With phone and tablet video functionalities FaceTime™ and Skype™, Web-based "in-person" interview use is widespread. In a recent year about \_\_\_\_\_ of candidates took such interviews.

C) 18%

24. Bahar is completing an online interview for an entry-level position in the research department of a large bio-medical firm. He will most likely see \_\_\_\_\_.

D) multiple choice questions about his background and experience

25. Career FAQs lists things that interviewees should keep in mind when doing an online video interview. Which one of the following is NOT one of them?

B) use a new computer

26. The primary purpose of conducting a stress interview is to determine \_\_\_\_\_.

D) how an applicant handles criticism

27. Which one of the following statements is most likely true?

B) Phone interviews can generate spontaneous answers from candidates.

28. Which one of the following is a common characteristic of computerized interviews?

A) multiple-choice questions

29. Which one of the following most likely combines aspects of behavioral and situational questioning?

D) case interviews

30. The primary purpose for conducting a case interview is to \_\_\_\_\_.

B) form a realistic assessment of a candidate's skills

31. Which one of the following interview formats will most likely result in the highest validity?

A) structured, situational

32. Which one of the following traits is most likely to be assessed accurately during an interview?

B) agreeableness

33. According to studies, which one of the following has the most influence on the outcome of a job interview?

B) an interviewer's first impression of the candidate

34. Which one of the following refers to an error of judgment on the part of the interviewer due to interviewing one or more very good or very bad candidates just before the interview in question?

B) contrast error

35. During an interview, Tanya discusses her numerous accomplishments at previous jobs and praises the interviewer frequently. Tanya is most likely using \_\_\_\_\_.

A) impression management

36. When interviewing an applicant with a disability who uses assistive technology, which one of the following questions should NOT be asked?

C) What is the severity and exact nature of your disability and how does the technology assist you?

37. Which one of the following terms refers to individuals asked by the EEOC to apply for employment which they do not intend to accept, for the sole purpose of uncovering unlawful discriminatory hiring practices?

C) testers

38. Which one of the following best describes telegraphing during an interview?

C) smiling at an applicant to suggest a desired answer

39. Which one of the following characteristics of an interview would most likely raise concerns about interview discrimination?

C) non-directive interview questions

40. Which one of the following applicant characteristics is LEAST likely to be assessed accurately during a selection interview?

D) conscientiousness

41. Which one of the following would most likely increase candidate-order errors?

B) recruiting pressure

42. The following are interviewing errors to avoid EXCEPT \_\_\_\_\_.

A) asking prepared questions

43. What is the best way to avoid most interview errors?

B) use a structured interviewing format

44. George Reyes has recently been hired as the vice president of marketing at Great Toys, a mid-size firm that specializes in classic wooden toys. The CEO of Great Toys wants to expand the firm's presence in the toy market, which is highly competitive. As a result, the marketing department's budget has been significantly increased. George plans to use some of the additional funds to hire a new media planner. George is considering the idea of conducting a structured situational interview in the hiring process. Which one of the following, if true, best supports the argument that George should use a structured situational interview to hire a media planner?

D) Great Toys' executives want to ensure that the interview process is fair to all candidates and that the best candidate is hired.

45. George Reyes has recently been hired as the vice president of marketing at Great Toys, a mid-size firm that specializes in classic wooden toys. The CEO of Great Toys wants to expand the firm's presence in the toy market, which is highly competitive. As a result, the marketing department's budget has been significantly increased. George plans to use some of the additional funds to hire a new media planner. George is considering the idea of conducting a structured situational interview in the hiring process. Which one of the following most likely undermines the argument that George should use a structured situational interview to hire a media planner?

B) George and the HR manager lack the time required to participate in a lengthy interview process.

46. A series of job-relevant questions with predetermined answers that interviewers ask of all applicants for a job is known as a \_\_\_\_\_.

D) structured situational interview

47. When developing a structured situational interview, the first step in the process is \_\_\_\_\_.

C) analyzing the job

48. What is the second step in the procedure for developing a guide for a structured situational interview?

A) rate the job's main duties

49. In a structured situational interview, interview questions should primarily address \_\_\_\_\_.

A) essential job duties

50. After creating questions for a structured situational interview, \_\_\_\_\_ need to be developed for scoring purposes.

C) benchmark answers

51. Which one of the following is a true statement regarding structured situational interviews?

D) Interviews are usually conducted by a panel.

52. Which one of the following is an example of a job knowledge question?

A) "What are the legal restrictions regarding the use of telemarketing for consumers who have a past relationship with a company?"

53. How many interviewers usually make up a panel interview?

C) 3-6

54. What is the first step in conducting an effective interview?

A) knowing the job

55. In order to conduct an effective interview, interviewers should NOT ask job candidates about their \_\_\_\_\_.

B) last job

56. Which one of the following is the most likely outcome of using the same questions with all candidates being interviewed?

D) bias reduced

57. Which question below is an example of a situational question?

A) "Suppose you were giving a sales presentation and a difficult technical question arose that you could not answer. What would you do?"

58. Which question below is an example of a behavioral question?

A) "Can you tell me about a time when you solved a really difficult problem?"

59. All of the following will most likely improve the structure of an interview EXCEPT \_\_\_\_\_.

C) asking candidates to describe themselves

60. Consider the question: "Can you provide an example of a specific instance where you provided leadership in a difficult situation?" What type of question is this?

B) behavioral question

61. Consider the question: "What factors should be considered when developing a customer database?" What type of question is this?

D) job knowledge question

62. All of the following are guidelines for conducting an effective interview EXCEPT \_\_\_\_\_.

D) asking the candidate questions that require yes or no answers

63. Which one of the following is recommended advice for conducting an effective interview?

C) Ask the candidate for specific examples.

64. Which one of the following best explains why most firms do not provide rejected applicants with detailed explanations about the employment decision?

C) concerns about legal disputes

65. Marion Franklin is the CEO of a local real estate company, Action Realty. The community has seen an increase in population over the last two years, and new neighborhoods are being built as a result. Marion's staff of realtors is very busy, and Marion

needs to hire a new agent. Although Marion has hired agents in the past, they have not always turned out to be as successful as she had hoped. Marion is considering making changes to the way she interviews job candidates. Which one of the following best supports the argument that Marion should use structured interviews?

C) Marion lacks highly effective interviewing skills.

66. Marion Franklin is the CEO of a local real estate company, Action Realty. The community has seen an increase in population over the last two years, and new neighborhoods are being built as a result. Marion's staff of realtors is very busy, and Marion needs to hire a new agent. Although Marion has hired agents in the past, they have not always turned out to be as successful as she had hoped. Marion is considering making changes to the way she interviews job candidates. Which one of the following would most likely improve the reliability and validity of Marion's selection process?

A) asking all applicants the same questions

67. Marion Franklin is the CEO of a local real estate company, Action Realty. The community has seen an increase in population over the last two years, and new neighborhoods are being built as a result. Marion's staff of realtors is very busy, and Marion needs to hire a new agent. Although Marion has hired agents in the past, they have not always turned out to be as successful as she had hoped. Marion is considering using the streamlined interview process to hire a new real estate agent. Which one of the following questions would be most relevant for Marion to ask if she wants an employee with extensive knowledge in real estate?

B) What are the loan options you would suggest for first-time home buyers?

68. Antone is applying for a job with Boscom Manufacturing as a chemical engineer. During the interview, Antone is asked the following question: "How does extreme heat affect hydrochloric acid?" The interviewer is most likely trying to assess Antone's \_\_\_\_\_.

C) knowledge

69. A manager who begins an interview by asking the applicant about the weather is most likely attempting to \_\_\_\_\_.

D) put the candidate at ease

70. Which type of interview questions are most likely designed to probe an applicant's ability to meet the job's requirements?

D) job knowledge

## Open questions:

### 1. What three ways can selection interviews be classified? How does each classification affect an interview?

Selection interviews can be classified according to 1) how structured they are, 2) their content, and 3) how they are administered. Structure can range from unstructured to structured. Content classifications are situational or behavioral. Examples include jobrelated interviews and stress interviews. Interviews can be administered by one person or by a panel of interviewers. Interviews may also be computer-administered.

### 2. In a brief essay, discuss the effect of modern communications technology on interviews.

Modern communications technology, such as iPhones and webcams, is transforming job interviews. Increasingly, employers and candidates are leveraging tools like Skype™ for initial screening interviews, reducing travel costs and simplifying logistics. While face-to-face interviews are still common, video interviews are becoming more prevalent due to cost-saving measures and convenience for candidates. This shift reflects the evolving landscape of recruitment, driven by advances in communication technology.

### 3. How can a firm protect itself from charges of discrimination in its interview process? What is the role of testers in employment discrimination?

To protect against discrimination charges in the interview process, firms should ensure structured, standardized interviews with objective, job-related questions and multiple interviewers. Treating candidates with respect and transparency also helps. Testers, individuals who apply for jobs to uncover discriminatory practices, highlight the importance of fair interviewing. They have legal standing with the EEOC and courts, underscoring the need for nondiscriminatory practices.

### 4. How do nonverbal behaviors and impression management affect an interview?

An applicant's nonverbal behavior and use of impression management can have a large impact on his or her rating. Interviewers tend to respond more positively to candidates showing more extroverted behavior like good eye contact and high energy. Even smiling can affect interviewer ratings of candidates. Interviewers infer the interviewee's personality from the way he or she acts in the interview.

### 5. What are some common errors that managers make during interviews and what impact can they have?

Potential interviewing errors to avoid include:



- First impressions (snap judgments)
- Not clarifying what the job involves and requires
- Candidate-order error and pressure to hire
- Nonverbal behavior and impression management
- The effects of interviewees' personal characteristics
- The interviewer's inadvertent behaviors page

**6. In a brief essay, discuss the differences between structured situational interviews and nondirective interviews.**

Structured situational interviews involve predetermined job-related questions with benchmark answers, ensuring consistency across candidates. Unstructured (nondirective) interviews lack a set format or predetermined questions, often resembling casual conversations. While structured interviews aim for consistency and objectivity, unstructured interviews prioritize spontaneity and open-ended dialogue.

**7. In a brief essay, discuss the three main types of questions that are frequently used in structured situational interviews. Explain the purpose of each question type and provide an example of each.**

The three types of questions are situational, job knowledge and behavioral. Situational questions pose a hypothetical job situation such as "What would you do if the machine suddenly began heating up?" Job knowledge questions assess knowledge essential to job performance, such as "What is HTML?" Behavioral questions, of course, ask candidates how they've handled similar situations, such as "How have you handled disgruntled customers at your previous job?"

**8. As an HR manager, you will most likely interview job candidates. What actions can you take to ensure that an interview is effective?**

To ensure effective interviews, HR managers should structure questions around job duties, using job knowledge, situational, or behavioral questions. Avoiding overly subjective questions like opinions or self-descriptions helps assess candidates objectively. Using descriptive rating scales and establishing rapport with candidates also enhances the interview process.

**9. What are profiles? What role do profiles play in the employee selection process?**

Profiles encompass the competencies, traits, knowledge, and experience required for a position. They serve as a benchmark for recruiting, selecting, training, appraising, and compensating employees. In the selection process, profiles guide managers in formulating job-related interview questions, ensuring alignment between candidate capabilities and

job requirements. This targeted approach enhances the likelihood of selecting candidates who possess the necessary skills and attributes for successful job performance.

**10. What are some issues and parameters an employer should consider in developing and extending a job offer?**

When developing and extending a job offer, employers should consider key parameters such as pay rates, benefits, and job duties. The offer may involve negotiations, followed by a written job offer letter detailing essential information such as salary, benefits, and terms of employment. It should include a statement of employment being "at will" and be reviewed by an attorney before being extended to the candidate.

## **Chapter 8**

1. On Letitia's first day of work at a software firm, she attended a meeting with the HR manager and other new employees. Letitia learned about employee benefits packages, personnel policies, and the structure of the company. In Which one of the following did Letitia most likely participate?

C) employee orientation

2. Which one of the following terms refers to helping new employees appreciate the values and culture of a firm?

A) onboarding

3. Which one of the following is most likely NOT one of the goals of a firm's employee orientation program?

C) assisting new employees in selecting the best labor union

4. All of the following topics are typically addressed during employee orientation EXCEPT \_\_\_\_\_.

D) wage curves

5. The methods used to give new or present employees the skills they need to perform their jobs are called \_\_\_\_\_.

B) training

6. MTR Enterprises failed to provide adequate safety training to one of its employees. As a result, the employee harmed a customer. A court would most likely find MTR liable for \_\_\_\_\_.

B) negligent training

7. Which one of the following will most likely NOT help employers protect themselves against charges of negligent training?

D) paying employees for their training time

8. \_\_\_\_\_ identifies the training employees will need to fill future jobs.

C) Strategic training needs analysis

9. What is the first step in the ADDIE training process?

C) analyzing the training need

10. What is the second step in the ADDIE training process?

C) designing the overall training program

11. Which one of the following will most likely occur during the third step of the ADDIE training process?

B) creating training materials

12. What is the final step in the ADDIE training process?

A) evaluating the program's successes or failures

13. James, an HR manager, is currently identifying the specific knowledge and skills required for a telemarketing position at Newman Enterprises. James is most likely involved in which one of the following?

A) task analysis

14. Amy, an accounting supervisor, has been asked to provide training for her subordinates about new tax laws. In order to motivate the individuals who attend her training session, Amy should most likely do all of the following EXCEPT \_\_\_\_\_.

C) use new terminology and technical concepts

15. Trainees should be provided adequate practice and be allowed to work at their own pace during a training session in order to \_\_\_\_\_.

B) transfer skills more easily to the job

16. \_\_\_\_\_ is a detailed study of the job to determine what specific skills the job requires.

B) Task analysis

17. Which one of the following consolidates information regarding required tasks and skills in a format that is helpful for determining training requirements?

B) task analysis record form

18. Employers will most likely use all of the following methods to identify training needs for new employees EXCEPT \_\_\_\_\_.

D) conducting a work sampling

19. A graphic model that presents a precise overview of the knowledge, skills, and behaviors someone would need to perform a job well is known as a(n) \_\_\_\_\_.

B) competency model

20. The process of verifying that there is a performance deficiency and determining if such deficiencies should be corrected through training or through some other means is called \_\_\_\_\_.

C) performance analysis

21. Mark Caffrey, vice president of sales at Samson Pharmaceuticals, manages a sales team of ten employees. Members of Mark's sales force vary in experience level. Four members of the sales team have worked at Samson for less than one year. The other six salespeople have been with Samson anywhere from three to seven years. Mark recently received the annual sales report and noticed that sales have been dropping steadily over the last year. Mark is considering the idea of providing training to his sales team as a way to boost sales. Which one of the following best supports the argument that the drop in Samson's sales can be solved through training?

D) Members of the sales team have expressed that they do not fully understand the benefits and side effects of the latest medications released by Samson.

22. Mark Caffrey, vice president of sales at Samson Pharmaceuticals, manages a sales team of ten employees. Members of Mark's sales force vary in experience level. Four members of the sales team have worked at Samson for less than one year. The other six salespeople have been with Samson anywhere from three to seven years. Mark recently received the annual sales report and noticed that sales have been dropping steadily over the last year. Mark is considering the idea of providing training to his sales team as a way to boost sales. Which one of the following most likely undermines the argument that the drop in Samson's sales can be solved through training?

B) Samson recently eliminated its long-standing policy of paying salespeople commissions on top of base salaries, which angered employees.

23. Mark Caffrey, vice president of sales at Samson Pharmaceuticals, manages a sales team of ten employees. Members of Mark's sales force vary in experience level. Four members of the sales team have worked at Samson for less than one year. The other six salespeople have been with Samson anywhere from three to seven years. Mark recently received the annual sales report and noticed that sales have been dropping steadily over the last year. Mark is considering the idea of providing training to his sales team as a way to boost sales. All of the following questions are relevant to Mark's decision to implement a training program for his sales team EXCEPT:

A) What methods are used for recruiting and interviewing individuals for sales positions?

24. Which one of the following best describes the first step in a performance analysis?

A) comparing a person's actual performance to the ideal performance

25. Which one of the following would most likely occur during the fourth step of the ADDIE training process?

A) holding on-the-job training sessions

26. Tyler, a new accounts representative at Martin Marketing, is learning the job by actually doing job-related tasks such as contacting customers. Tyler is most likely participating in \_\_\_\_\_.

A) on-the-job training

27. Which one of the following training methods is most frequently used by employers?

C) on-the-job training

28. All of the following are types of on-the-job training EXCEPT \_\_\_\_\_.

A) programmed learning

29. Rebekah was hired soon after graduation and assigned to complete a management trainee program. She will move to various jobs each month for a nine-month period of time. Her employer is utilizing the \_\_\_\_\_ form of training.

A) job rotation

30. Mario hopes to be promoted to the head of his department next year. In the meantime, he has been assigned to spend a year as an assistant to the current department head. Which type of training is most likely being used in this example?

C) coaching method

31. The on-the-job method of \_\_\_\_\_ involves giving lower-level executives firsthand experience in working on actual problems.

C) special assignments

32. The method being used to train Ivan in a new job involves a sequence of steps he is expected to learn step-by-step. This method is called \_\_\_\_\_.

B) job instruction training (JIT)

33. Surveys estimate that as much as \_\_\_\_\_ of what employees learn on the job they learn through informal means.

C) 70%

34. A structured process by which people become skilled workers through a combination of classroom instruction and on-the-job training is called \_\_\_\_\_.

C) apprenticeship training

35. Which form of on-the-job training usually involves having a learner study under the tutelage of a master craftsperson?

C) apprenticeship training

36. Ian is currently being trained on the job and is at the first step in the OTJ process, which involves \_\_\_\_\_.

D) familiarizing the trainee with equipment, tools, and trade terms

37. When jobs consist of a logical sequence of steps and are best taught step-by-step, the most appropriate training method to use is \_\_\_\_\_.

A) job instruction training

38. With job instruction training, which one of the following should most likely be included beside each step listed?

C) key points or guidelines

39. Which one of the following is the primary advantage of lecturing as a method of training?

C) appropriate for large groups

40. Which one of the following will most likely help a speaker improve the effectiveness of a training lecture?

C) watching the audience's body language

41. Which one of the following is a systematic method for teaching job skills that involves presenting questions or facts, allowing the person to respond, and giving the learner immediate feedback on the accuracy of his or her answers?

B) programmed learning

42. Which one of the following is NOT an advantage of programmed learning?

C) Trainees benefit from a skilled coach.

43. Which one of the following terms refers to computer-based training systems that adjust to meet each trainee's specific learning needs?

D) intelligent tutoring systems

44. Wells Fargo and Company is a financial services firm that provides banking, insurance, and mortgage services at 10,000 stores nationwide. Wells Fargo offers its employees many professional development opportunities such as training programs and tuition reimbursement. Wells Fargo executives are considering the expansion of the firm's existing training programs after employees have expressed strong interest in the idea. Which one of the following, if true, best supports the argument that Wells Fargo should use intelligent tutoring systems to provide training for loan officers?

A) Current Wells Fargo employees indicate that they prefer to work at their own pace and have a variety of learning styles.

45. \_\_\_\_\_ training is a method in which trainees learn on actual or simulated equipment but are trained away from the job.

A) Vestibule

46. American Airlines uses flight simulators to train pilots about airplane equipment and safety measures. This is an example of \_\_\_\_\_.

B) vestibule training

47. Which one of the following involves a trainer in a central location teaching groups of employees at remote locations over cable broadband lines or the Internet?

D) videoconferencing

48. Travel agents at Apollo Travel Services follow a computer program that displays question prompts and dialogue boxes with travel policies as the agent enters information about the consumer's travel plans. This is an example of a(n) \_\_\_\_\_.

B) electronic performance support system

49. \_\_\_\_\_ are special software tools that support Internet training by helping employers identify training needs, and to schedule, deliver, assess, and manage the online training itself.

A) Learning management systems

50. Which one of the following terms refers to a set of instructions, diagrams, or similar methods available at the job site to guide the worker?

D) job aid

51. United Airlines utilizes a checklist of things that pilots should do prior to take-off and landing. This checklist is an example of a(n) \_\_\_\_\_.

A) job aid

52. Wells Fargo and Company is a financial services firm that provides banking, insurance, and mortgage services at 10,000 stores nationwide. Wells Fargo offers its employees many professional development opportunities such as training programs and tuition reimbursement. Wells Fargo executives are considering the expansion of the firm's existing training programs after employees have expressed strong interest in the idea. Which one of the following, if true, best supports the argument that Wells Fargo should integrate computer simulations into its training program for bank tellers?

D) Employee surveys indicate that many Wells Fargo bank tellers are uncertain about the best methods for handling angry customers.

53. Which one of the following terms refers to a section of an employer's Web site that provides employees with online access to job-related training courses?

D) learning portal

54. Which one of the following terms refers to a teaching method that uses special collaboration software to enable multiple remote learners to participate in live audio and visual discussions via a PC or laptop?

B) virtual classroom

55. All of the following are literacy training methods used by employers EXCEPT \_\_\_\_\_.

A) providing computerized simulations

56. \_\_\_\_\_ attempts to foster harmonious working relationships and to develop cross-cultural sensitivity among the employees of a firm.



D) Diversity training

57. What is the primary purpose of implementing a cross training program at a firm?

C) facilitating flexible job assignments

58. All of the following are characteristics of most interactive training programs, such as simulations, EXCEPT \_\_\_\_\_.

C) increased learning time

59. Any attempt to improve managerial performance by imparting knowledge, changing attitudes, or increasing skills is called \_\_\_\_\_.

C) management development

60. Which process involves assessing the company's strategic needs, appraising the current performance of managers, and building skills of managers?

A) management development

61. All of the following are on-the-job training methods used for managerial positions EXCEPT \_\_\_\_\_.

C) case study method

62. Which one of the following enables management trainees to work full-time analyzing and solving problems in other departments?

B) action learning

63. Eric is in a group with five other management trainees at Coca-Cola. Eric's group is competing against other management trainees at the firm in a simulated marketplace. Each group must decide how much to spend on advertising and how many products to manufacture over the next three years. In which one of the following activities is Eric most likely participating?

C) management games

64. According to Kurt Lewin, in order for organizational change to occur, which stage must occur first?

A) unfreezing

65. According to Kurt Lewin, all of the following should occur in the moving stage of organizational change EXCEPT \_\_\_\_\_.

B) mobilizing commitment

66. \_\_\_\_\_ is an approach to organizational change in which the employees formulate the change that's required and implement it.

C) Organizational development

67. \_\_\_\_\_ means collecting data about a group, department, or organization, and feeding the information back to the employees so they can analyze it and develop hypotheses about what the problems might be.

B) Action research

68. Which organizational development application involves methods like performance appraisals, reward systems, and employee wellness?

D) human resource management

69. Which one of the following is most likely NOT measured when evaluating a training program?

C) overall organizational productivity

70. Which one of the following terms refers to a formal method for testing the effectiveness of a training program?

C) controlled experimentation

#### Open questions:

1. What is the purpose of employee orientation? What role does training play in employee orientation?

Employee orientation serves to welcome new employees, acquaint them with the organization's culture, expectations, and vision, and initiate their socialization process. Training immediately follows orientation, focusing on equipping employees with the necessary skills for their job roles.

2. What are the four steps involved in the training process? After a training program has been established, how can managers make the training material more meaningful for employees?

The training process involves four steps: needs analysis, instructional design, implementation, and evaluation. Needs analysis identifies job requirements and assesses trainees' skills. Instructional design sets measurable objectives and outlines training content. Implementation delivers training using various methods. Evaluation assesses

program effectiveness. To make training material more meaningful, managers should provide an overview, use familiar examples, organize information logically, use familiar vocabulary, and employ visual aids.

### 3. What is the difference between a task analysis and a performance analysis? What is the purpose of each in regards to training?

Task analysis involves studying a job to identify specific skills required, while performance analysis verifies performance deficiencies and determines if training or other interventions are needed. Task analysis focuses on job requirements and training needs, using job descriptions and specifications as references. Performance analysis compares actual performance to expected standards to identify deficiencies and potential causes. Both are essential for effective training by ensuring targeted and relevant skill development.

### 4. In a brief essay, discuss how mobile devices, such as iPhones, are used by firms to facilitate employee training.

Firms utilize mobile devices like iPhones for employee training through mobile learning, offering on-demand access to learning content anytime, anywhere. For instance, Domino's utilizes an iPhone-optimized learning portal for comprehensive online courses. Employers deliver training on various topics, including sales strategies and organizational changes, via mobile devices. IBM employs mobile learning to provide just-in-time information to its sales team, breaking down training into shorter, more manageable segments. Blogs are also used by some employers to communicate learning content effectively to trainees.

### 5. What is on-the-job training? What types of on-the-job training methods are most frequently used by employers?

On-the-job training (OJT) involves learning by performing tasks directly. It's the primary form of training in many firms. Common OJT methods include coaching or understudy, job rotation, and special assignments. Under the coaching method, an experienced worker or supervisor trains the employee. Job rotation involves moving employees through various roles, often used in management training. Special assignments provide hands-on experience in solving real problems.

### 6. Describe elements of computer-based training and why it can be effective.

Computer-based training (CBT) utilizes interactive computer systems to enhance knowledge and skills. It allows trainees to replay lessons, answer questions, and practice under supervision. CBT is effective due to its realism, integrating multimedia elements like text, video, graphics, and sound. For instance, in medical training, CBT enables students to

simulate patient interactions and diagnoses. Virtual reality training further enhances realism by immersing trainees in simulated environments.

#### 7. What is programmed learning and why is it used in organizations?

Programmed learning is a self-paced method using textbooks, computers, or the Internet, involving presenting questions, allowing responses, and providing feedback. It reduces training time, enables self-paced learning, offers immediate feedback, and reduces errors. Despite debates on its effectiveness compared to textbooks, studies generally support its efficacy. Computerized intelligent tutoring systems further enhance learning by adapting instruction to individual needs.

#### 8. Both action learning and management games require trainees to work in groups. In a brief essay, explain the similarities and differences between the two management development techniques.

Both action learning and management games involve group work in management development. In action learning, teams analyze real-world business problems outside their expertise, with structured coaching and feedback. Senior managers choose projects and decide on recommendations. In contrast, management games simulate marketplace scenarios where teams compete in decision-making, such as advertising spending and production levels. The game compresses time periods, and teams can't see each other's decisions, reflecting real-world dynamics.

#### 9. In a brief essay, discuss the theory behind Kurt Lewin's model of change. According to Lewin, what is the process that should be followed to implement organizational change?

Kurt Lewin's model of change suggests that organizational behavior is influenced by forces maintaining the status quo and those pushing for change. To implement change, these forces need to be balanced. Lewin's change process involves three steps: unfreezing the existing state, introducing new behaviors and attitudes, and refreezing the organization into the new state to prevent regression.

#### 10. What is meant by the idea of organizational change? How does organizational development facilitate organizational change?

Organizational change refers to altering aspects like strategy, culture, structure, technology, and employee attitudes and skills. It typically starts with strategic adjustments but requires employee support for success. Organizational development facilitates change by involving employees in identifying and implementing necessary changes, often with external consultants' assistance. This process addresses employee resistance and fosters effective change implementation.

## Chapter 9

1. Which one of the following terms refers to the process of evaluating an employee's current and/or past performance relative to his or her performance standards?

B) performance appraisal

2. The primary purpose of providing employees with feedback during a performance appraisal is to motivate employees to \_\_\_\_\_.

B) remove any performance deficiencies

3. Which one of the following is NOT one of the recommended guidelines for setting effective employee goals?

4. SMART goals are best described as \_\_\_\_\_.

A) specific, measurable, attainable, relevant, and timely

5. All of the following are reasons for appraising an employee's performance EXCEPT \_\_\_\_\_.

B) creating an organizational strategy map

6. In most organizations, who is primarily responsible for appraising an employee's performance?

A) employee's direct supervisor

7. Which one of the following is most likely NOT a role played by the HR department in the performance appraisal process?

A) conducting appraisals of employees

8. What is the first step of any performance appraisal?

B) setting work standards

9. \_\_\_\_\_ means making sure that the manager and the subordinate agree on the subordinate's job standards and the appraisal method to be used.

C) Defining the job

10. Who is in the best position to observe and evaluate an employee's performance for the purposes of a performance appraisal?

D) immediate supervisor

11. Employee performance appraisals are conducted by all of the following EXCEPT \_\_\_\_\_.

B) competitors

12. Peer appraisals have been shown to result in a \_\_\_\_\_.

A) reduction of social loafing

13. In most firms, a rating committee used for performance appraisals consists of \_\_\_\_\_ members.

B) 4-5

14. What usually occurs when employees rate themselves for performance appraisals?

C) Ratings are higher than when provided by supervisors.

15. Which one of the following terms refers to the process of allowing subordinates to rate their supervisor's performance anonymously?

B) upward feedback

16. According to research, what is the typical result of upward feedback?

C) Managers improve their performance.

17. Which one of the following terms refers to a performance appraisal based on surveys from peers, supervisors, subordinates, and customers?

A) 360-degree feedback

18. Oshman manufactures small kitchen appliances, such as blenders, toasters, and mixers. The firm has nearly 80,000 employees in 22 countries. Employees receive annual performance appraisals from their supervisors that combine critical incidents with a graphic rating scale. However, the firm's CEO advocates shifting from performance appraisals to performance management in an attempt to make Oshman more competitive and performance driven. Which one of the following, if true, best supports the argument to replace Oshman's traditional appraisal methods with the performance management approach?

B) Oshman executives want to align the firm's strategic plan with individual employee goals and development needs.

19. Which one of the following is the easiest and most popular technique for appraising employee performance?

B) graphic rating scale

20. Which performance appraisal technique lists traits and a range of performance values for each trait?

B) graphic rating scale

21. Wilson Consulting is a management consulting firm with seventy employees. As associate vice president of marketing, Paulo Ruiz is responsible for conducting performance appraisals of the twelve employees under his direct supervision. Paulo plans to use a graphic rating scale to evaluate the performance of his subordinates. Which one of the following, if true, best supports the argument that a graphic rating scale is the most appropriate performance appraisal tool for Paulo to use?

C) Paulo wants a quantitative rating of each employee based on competencies important to the firm, such as problem-solving skills.

22. All of the following are usually measured by a graphic rating scale EXCEPT \_\_\_\_\_.

B) performance of co-workers

23. Which performance appraisal tool requires supervisors to categorize employees from best to worst on various traits?

C) alternation ranking method

24. The most popular method for ranking employees is the \_\_\_\_\_ method.

B) alternation ranking

25. Svetlana needs to rate five of her subordinates. She makes a chart of all possible pairs of employees for each trait being evaluated. Then, she indicates the better employee of each pair with a positive symbol on the chart. Finally, she totals the number of positive symbols for each employee. Which method of performance appraisal has Svetlana most likely used?

C) paired comparison

26. Which performance appraisal tool is being used when a supervisor places predetermined percentages of appraisees into various performance categories?

D) forced distribution

27. Rolf, the supervisor of the manufacturing department at a computer firm, is in the process of evaluating his staff's performance. He has determined that 15% of the group will be identified as high performers, 20% as above average performers, 30% as average

performers, 20% as below average performers, and 15% as poor performers. Which performance appraisal tool has John chosen to use?

B) forced distribution

28. Which one of the following measurement methods is similar to grading on a curve?

A) forced distribution

29. Which of the following is one of the primary complaints regarding the use of the forced distribution method for performance appraisals?

B) harm to employee morale

30. Which performance appraisal tools require a supervisor to maintain a log of positive and negative examples of a subordinate's work-related behavior?

C) critical incident

31. Which one of the following is a downside of the critical incident method of compiling incidents?

B) doesn't produce relative ratings for pay raise purposes

32. Wilson Consulting is a management consulting firm with 70 employees. As associate vice president of marketing, Paulo Boyle is responsible for conducting performance appraisals of the 12 employees under his direct supervision. Paulo plans to use the critical incident method to evaluate the performance of her subordinates. Which one of the following, if true, most likely undermines the argument that the critical incident method is the most appropriate performance appraisal tool for Paulo to use?

D) Due to economic difficulties, the firm will be laying off the two lowest performing employees in Paulo's department.

33. Which appraisal method combines the benefits of narrative critical incidents and quantified scales by assigning scale points with specific examples of good or poor performance?

A) behaviorally anchored rating scale

34. Which one of the following best describes a behaviorally anchored rating scale?

B) combination of narrative critical incidents and quantified performance scales

35. The first step in developing a behaviorally anchored rating scale is to \_\_\_\_\_.

B) write critical incidents



36. Tamika is using a behaviorally anchored rating scale as a performance appraisal tool. She has already asked employees and supervisors to describe critical incidents of effective and ineffective job performance. What should Tamika most likely do next?

B) develop performance dimensions

37. Wilson Consulting is a management consulting firm with 70 employees. As associate vice president of marketing, Paulo Boyle is responsible for conducting performance appraisals of the 12 employees under her direct supervision. Paulo plans to use the behaviorally anchored rating scale (BARS) to evaluate the performance of her subordinates. Which one of the following, if true, supports the argument that BARS is the most appropriate performance appraisal tool for Paulo to use?

A) Paulo wants to provide her subordinates with specific examples of their good and poor job performance during the appraisal interview.

38. Which one of the following is an advantage of a behaviorally anchored rating scale?

B) It is easier for the rater to determine superior, average, and poor performance.

39. Which one of the following terms refers to setting specific measurable goals with each employee and then periodically reviewing the progress made?

B) management by objective

40. All of the following are benefits of using computerized or Web-based performance appraisal systems EXCEPT \_\_\_\_\_.

D) enabling managers to monitor employees' computers

41. Which one of the following enables supervisors to oversee the amount of computerized data an employee is processing each day?

D) electronic performance monitoring system

42. Nicholai supervises a team of data entry specialists. Lately, productivity has been down, and Nicholai believes his subordinates are not working as efficiently as possible. Which one of the following tools would provide Nicholai with daily information about each employee's rate, accuracy, and time spent entering data?

B) electronic performance monitoring system

43. Which term refers to ranking of employees from best to worst on a trait or traits, choosing highest than lowest until all are ranked?

C) alternation ranking

44. Graphic rating scales are subject to all of the following problems EXCEPT \_\_\_\_\_.

C) complexity

45. Which one of the following terms refers to an appraisal that is too open to interpretation?

A) unclear standards

46. Which one of the following is the best way for a supervisor to correct a performance appraisal problem caused by unclear standards?

C) using descriptive phrases to illustrate traits

47. Which one of the following is a performance appraisal problem that occurs when a supervisor's rating of a subordinate on one trait biases the rating of that person on other traits?

B) halo effect

48. Jason is a conscientious employee, but he is viewed by most of his co-workers as unfriendly. Jason's supervisor rates him low on the traits "gets along well with others" and "quality of work." Which one of the following problems has most likely affected Jason's performance appraisal?

C) halo effect

49. A supervisor who frequently rates all employees as average on performance appraisals most likely has a problem known as \_\_\_\_\_.

C) central tendency

50. The best way to reduce the problem of central tendency in performance appraisals is to \_\_\_\_\_.

A) rank employees

51. Which performance appraisal problem is associated with supervisors giving all of their subordinates consistently high ratings?

B) leniency

52. The \_\_\_\_\_ problem occurs when supervisors tend to rate all their subordinates consistently low.

C) strictness

53. Which one of the following is the best method for reducing the problems of leniency or strictness in performance appraisals?

C) impose a performance distribution

54. Which one of the following has most likely occurred when a supervisor conducting a performance appraisal is influenced by a subordinate's individual differences such as age, sex, and race?

A) bias

55. Which one of the following is LEAST likely to cause a supervisor's performance appraisal of a subordinate to be biased?

B) location and time of the appraisal

56. All of the following guidelines will most likely improve the effectiveness of a performance appraisal EXCEPT \_\_\_\_\_.

B) using a graphic rating scale to ensure fair and consistent ratings

57. Marva manages the accounting department at an advertising agency. She needs to conduct performance appraisals for the eight employees in her department. Marva wants a performance appraisal tool that is highly accurate, ranks employees, and uses critical incidents to help explain ratings to appraisees. Which performance appraisal tool is best suited for Marva?

D) behaviorally anchored rating scale

58. Which one of the following is the primary advantage of using graphic rating scales as performance appraisal tools?

C) provides quantitative rating for each employee

59. All of the following are considered best practices for administering fair performance appraisals EXCEPT \_\_\_\_\_.

C) using subjective performance data for appraisals

60. Which one of the following would most likely result in a legally questionable appraisal process?

A) basing appraisals on subjective supervisory observations

61. Which one of the following best describes the purpose of an appraisal interview?

C) making plans to correct employee weaknesses

62. You are conducting an appraisal interview with an employee whose performance is satisfactory but for whom promotion is not possible. Which incentive listed below would be the LEAST effective option for maintaining satisfactory performance in this situation?

D) professional development

63. When conducting an appraisal interview, supervisors should do all of the following EXCEPT \_\_\_\_\_.

D) compare the person's performance to that of other employees

64. When a supervisor must criticize a subordinate in an appraisal interview, it is most important for the supervisor to \_\_\_\_\_.

B) provide specific examples of critical incidents

65. When an employee's performance is so poor that a written warning is required, the warning should \_\_\_\_\_.

A) identify the standards by which the employee is judged

66. In his appraisal interview with Juan, Tomas was candid and objective but also supportive. In this way Tomas provided Juan with \_\_\_\_\_.

D) psychological safety

67. Indira is concerned that her workers are not fully engaged and has come to you for advice. After observing her in one appraisal interview, you determine that she should \_\_\_\_\_.

C) focus on the employee's strengths

68. The continuous process of identifying, measuring, and developing the performance of individuals and teams and aligning their performance with the organization's goals is known as \_\_\_\_\_.

D) performance management

69. Which component of performance management refers to communicating a firm's higherlevel goals throughout the organization and then translating them into departmental and individual goals?

C) direction sharing

70. Oshman manufactures small kitchen appliances, such as blenders, toasters, and mixers. The firm has nearly 80,000 employees in 22 countries. Employees receive annual

performance appraisals from their supervisors that combine critical incidents with a graphic rating scale. However, the firm's CEO advocates shifting from performance appraisals to performance management in an attempt to make Oshman more competitive and performance driven. All of the following questions are relevant to Oshman's decision to replace its traditional appraisal methods with the performance management approach EXCEPT:

D) What procedures are already in place to effectively identify and measure critical incidents?

71. A supervisor working for a firm that uses performance management should most likely expect to \_\_\_\_\_.

C) re-evaluate how employees accomplish tasks

72. Which one of the following is NOT one of performance management's six basic elements?

A) habit creation

#### Open questions:

1. As a manager, how can you set effective performance appraisal standards for your employees? Explain your answer in a brief essay.

- Set SMART goals. These are specific, measurable, attainable, relevant, and timely.
- Assign specific goals. Employees who have specific goals usually perform better than those who do not.
- Assign measurable goals. Always try to express the goal in terms of numbers, and include target dates or deadlines.
- Assign challenging but doable goals. Make them challenging, but not so difficult that they appear impossible or unrealistic.
- Encourage participation. Participatively set goals usually produce higher performance.

2. What are the essential steps of the performance appraisal process?

The performance appraisal process itself contains three steps:

- setting work standards
- assessing the employee's actual performance relative to those standards
- providing feedback.

3. What are the four job-relevant dimensions that can be measured by the graphic-rating scale method of performance appraisal? What problems are associated with graphic-rating scales?

The four job-relevant dimensions measured by the graphic-rating scale method are quantity and quality of work, job duties fulfillment, competency demonstration, and objective achievement. However, graphic-rating scales can suffer from issues like unclear standards, halo effect, central tendency, leniency or strictness, and bias.

4. In a brief essay, describe the forced distribution method. What are the advantages and disadvantages of the forced distribution method?

The forced distribution method involves placing predetermined percentages of ratees into different performance categories. This method, akin to grading on a curve, ensures a fixed number of individuals in each category. However, its disadvantage lies in the subjectivity of cutoff points, which can impact employees' appraisal outcomes.

5. What is a behaviorally anchored rating scale (BARS)? How would a manager develop a BARS?

A behaviorally anchored rating scale (BARS) incorporates specific behavioral examples to rate performance, combining the benefits of narratives and quantified scales. To develop a BARS, managers follow five steps: writing critical incidents, defining performance dimensions, reallocating incidents, scaling incidents, and finalizing the instrument.

6. What are the guidelines that supervisors should follow to hold effective appraisals and minimize problems like bias and halo effects? How can rating committees improve the fairness of the appraisal process?

A behaviorally anchored rating scale (BARS) incorporates specific behavioral examples to rate performance, combining the benefits of narratives and quantified scales. To develop a BARS, managers follow five steps:

- Write critical incidents illustrating effective and ineffective performance.
- Develop performance dimensions based on the incidents.
- Reallocate incidents to match performance dimensions.
- Scale incidents by rating their effectiveness on each dimension.
- Finalize the instrument with selected incidents as behavioral anchors.

7. In a brief essay, discuss how a supervisor can develop and conduct a performance appraisal that is legally defensible.

To ensure a legally defensible performance appraisal, supervisors should base criteria on a job analysis and communicate standards clearly in writing. Avoid abstract trait names in rating scales and ensure multiple raters contribute to evaluations. Implement an appeals process and document all decisions thoroughly. Train supervisors on proper appraisal procedures, providing written instructions if formal training isn't feasible.

**8. Why is it important for a manager to appraise a subordinate's performance? How can a manager handle a subordinate who is defensive when told that his or her performance is poor?**

Managers conduct performance appraisals to inform decisions on pay, promotion, and career planning, as well as to manage performance effectively. When addressing poor performance with a defensive subordinate, it's crucial for the manager to avoid attacking their defenses, recognize defensiveness as normal, and offer understanding without attempting to solve psychological issues.

**9. Describe the four basic types of appraisal interviews.**

Satisfactory-promotable - For employees with satisfactory performance and potential for promotion, focusing on career plans and development.

Satisfactory-not promotable - For those with satisfactory performance but no promotion prospects, emphasizing performance maintenance and finding alternative incentives.

Unsatisfactory but correctable - Targets correcting unsatisfactory performance through action plans and improvement strategies.

Unsatisfactory-uncorrectable - Typically involves dismissal or toleration of poor performance.

**10. Discuss three ways a manager can use the appraisal interview to improve their employees' engagement.**

Highlighting contribution to company's success - Show employees how their efforts contribute to team and company success during the interview.

Emphasizing psychological meaningfulness - Use the interview to emphasize the meaningfulness of the employee's role to the company.

Ensuring psychological safety - Be candid and objective in feedback while supporting the employee's self-image during the interview.

**11. In a brief essay, discuss the components necessary for an effective performance management process.**

Direction Sharing - Communicating organizational goals to all employees.

Goal Alignment - Ensuring individual goals align with departmental and organizational objectives.

Ongoing Performance Monitoring - Continuously tracking employee performance against goals.

Ongoing Feedback - Providing regular feedback to employees on their performance.

Coaching and Developmental Support - Offering coaching and developmental opportunities.

Rewards, Recognition, and Compensation - Recognizing and rewarding employee achievements.

## **Chapter 10**

1. Which one of the following terms refers to educating, instructing, and training subordinates, usually related to daily tasks?

B) coaching

2. What is defined as the occupational positions a person holds over the years?

D) a career

3. John feels that he owes his organization hard work and loyalty while the company owes him fair treatment and satisfactory work conditions. This is an example of \_\_\_\_\_.

C) psychological contract

4. The process of advising, counseling, and guiding employees is known as \_\_\_\_\_.

D) mentoring

5. \_\_\_\_\_ focuses on helping an employee make long-term career plans, while \_\_\_\_\_ addresses an employee's short-term job skills.

A) Mentoring; coaching

6. Which one of the following is NOT supported by research as to what supervisors can do to be better mentors?

D) focus on controlling the mentor



7. Dick's Sporting Goods is a sports and fitness retailer with over 300 stores in 34 states. After beginning as a small bait and tackle shop in 1948, Dick's has grown to become a leader in the sports and fitness retail industry. Many career opportunities are available in Dick's in areas as diverse as IT, product development, merchandising, and store management. Top management at Dick's realizes the importance of hiring and retaining quality employees. As a result, the firm has decided to implement policies, practices, and programs that support employees' career needs. Which one of the following, if true, would best support the argument that Dick's should assign a coach to each new employee?

A) The turnover rate of newly hired hourly employees at Dick's Sporting Goods is higher than the industry average.

8. Which one of the following is the main difference between coaching and mentoring?

C) Coaching focuses on teaching daily tasks.

9. \_\_\_\_\_ is a process for enabling employees to better understand and develop their career skills and interests and to use these skills and interests most effectively within the company and afterwards.

A) Career management

10. Which one of the following terms refers to the lifelong series of activities that contribute to a person's career exploration, establishment, success, and fulfillment?

B) career development

11. Which one of the following is a specific example of a career development activity?

B) training workshop

12. Which one of the following best describes career planning?

A) a deliberate process through which someone becomes aware of personal skills, interests, knowledge, and motivations and establishes action plans to attain specific career goals

13. Jackie is working with a coach to identify her personal skills and interests. Afterwards, she will investigate opportunities that fit her skills and interests and set specific career goals. In which one of the following activities is Jackie most likely participating?

C) career planning

14. Employers benefit from offering career development programs to employees in all of the following ways EXCEPT \_\_\_\_\_.

D) facilitating performance analysis

15. Dick's Sporting Goods is a sports and fitness retailer with over 300 stores in 34 states. After beginning as a small bait and tackle shop in 1948, Dick's has grown to become a leader in the sports and fitness retail industry. Many career opportunities are available in Dick's in areas as diverse as IT, product development, merchandising, and store management. Top management at Dick's realizes the importance of hiring and retaining quality employees. As a result, the firm has decided to implement policies, practices, and programs that support employees' career needs. Which one of the following, if true, would best support the argument that Dick's should add a career development aspect to its human resource activities?

B) Dick's Sporting Goods' performance appraisals include development plans and individual goal setting.

16. Dick's Sporting Goods is a sports and fitness retailer with over 300 stores in 34 states. After beginning as a small bait and tackle shop in 1948, Dick's has grown to become a leader in the sports and fitness retail industry. Many career opportunities are available in Dick's in areas as diverse as IT, product development, merchandising, and store management. Top management at Dick's realizes the importance of hiring and retaining quality employees. As a result, the firm has decided to implement policies, practices, and programs that support employees' career needs. All of the following questions are relevant to Dick's Sporting Goods' decision to implement a career development program EXCEPT:

B) How would the customer profile of Dick's Sporting Goods be affected by a change in hiring practices?

17. In regards to an employee's career development, it is the primary responsibility of the \_\_\_\_\_ to make career plans, set goals, and utilize development opportunities.

B) employee

18. All of the following are the role of the employer in an employee's career development EXCEPT \_\_\_\_\_.

B) analyzing interests, values, and skills

19. Which one of the following is primarily the role of the manager in an employee's career development?

D) providing accurate performance feedback

20. Which one of the following is the organization's role in an employee's career development?

A) providing mentoring opportunities to support growth

21. Which one of the following refers to an organized learning event in which participants conduct self-assessments, set goals, and develop action plans?

B) career planning workshop

22. All of the following are types of career development initiatives implemented by employers EXCEPT \_\_\_\_\_.

A) 401(k) plans

23. All of the following are typical activities of career coaches EXCEPT helping employees to \_\_\_\_\_.

D) negotiate with firms for higher salaries

24. Which one of the following would most likely increase employee commitment?

C) establish a career development program

25. All of the following are characteristics of effective mentors EXCEPT \_\_\_\_\_.

C) focusing on the protégé's daily tasks

26. Based on research studies, which one of the following is most likely a true statement about mentoring programs?

A) Traditional mentoring programs are more effective for male than for female employees.

27. Michele's firm does not have a formal mentoring program. However, entry-level employees, such as Michele, are encouraged to form relationships with experienced workers. Michele wants to make sure that she has an effective mentor relationship. Which one of the following mentor relationship guidelines would NOT be recommended to Michele?

D) Bring personal problems to mentor.

28. What do firms use to coordinate career planning efforts, succession plans, and employees' career interests?

D) integrated talent management software

29. Which one of the following is most likely to occur when a new employee's high expectations and enthusiasm confront the reality of a boring job?

B) reality shock

30. Reality shock can most likely be prevented by providing new employees with \_\_\_\_\_.

D) accurate job previews

31. With a(n) \_\_\_\_\_, a supervisor and employee jointly merge the employee's past performance, career preferences, and developmental needs into a formal career plan.

A) career-oriented appraisal

32. Which one of the following statements most likely suggests that an employee is engaged?

A) "I give 110% effort every day."

33. The tool managers use to meet employees' career development where the manager and employee jointly merge the latter's past performance, career preferences, and developmental needs into a formal career plan is called \_\_\_\_\_.

B) career-oriented appraisals

34. The rate at which employees leave a firm is best known as \_\_\_\_\_.

C) turnover

35. Which one of the following industries has one of the highest turnover rates, at around 100% per year?

A) food services

36. As an employer, what is the primary benefit of cutting a high turnover rate?

B) saving money

37. Which term refers to actions intended to place physical or psychological distance between employees and their work environments?

C) job withdrawal

38. A(n) \_\_\_\_\_ describes the criteria by which the firm awards promotions.

C) formal promotion policy

39. Robin, the HR manager at Rightway Enterprises, believes that job withdrawal has become a significant problem at the firm. Robin most likely came to this conclusion after observing all of the following employee behaviors EXCEPT \_\_\_\_\_.

A) frequent vacation time requests

40. Which one of the following would most likely reduce voluntary turnover?

B) high unemployment rates

41. What is a crucial first step in retaining employees over time?

C) selecting the right workers

42. According to research cited in the text, what is the primary reason that top-performing/high commitment employees gave for voluntarily leaving an organization?

D) salary

43. Apex Carpet has a very high voluntary turnover rate, which executives at the firm want reduced. What is the most effective way to retain top-performing employees at Apex?

C) establishing a talent management program

44. Apex Carpet has a very high voluntary turnover rate, which executives at the firm want reduced. Which one of the following should Apex most likely do first in its attempt to retain top-performing employees?

A) administer attitude surveys to all employees

45. Retaining employees is a \_\_\_\_\_ issue and the best retention strategies are therefore multifunctional.

A) talent management

46. Miranda wants to make partner at her law firm. However, she is worried because 70-hour work weeks are the norm for someone striving to make partner. Miranda wants to be fair to her family as well as excel at work. The best way for the law firm to address this problem is by \_\_\_\_\_.

C) offering a flexible career track that allows Miranda to periodically reduce her work load

47. Chelsea Bank employs a diverse group of employees, and the firm wants all of its workers to have equal career advancement opportunities. Which one of the following most likely undermines Chelsea Bank's attempt to meet the career development needs of its diverse workforce?

A) scheduling meetings in the early morning or late evening

48. Smith Industries has established a career development program for its employees that offers career coaching and workshops. However, a recent employee survey indicates that many women still feel dissatisfied about their career opportunities at the firm. Which one

of the following would most likely improve the attitudes of female employees at Smith Industries?

D) Smith implements a flexible career track system.

49. Which one of the following best explains the meaning of the term "glass ceiling"?

C) structural yet subtle barriers in corporate environments that inhibit the rise of talented women to leadership positions

50. While women constitute more than 40% of the workforce, they hold only about \_\_\_\_\_ of top management positions.

A) 2%

51. Dick's Sporting Goods is a sports and fitness retailer with over 300 stores in 34 states. After beginning as a small bait and tackle shop in 1948, Dick's has grown to become a leader in the sports and fitness retail industry. Many career opportunities are available in Dick's in areas as diverse as IT, product development, merchandising, and store management. Top management at Dick's realizes the importance of hiring and retaining quality employees. As a result, the firm has decided to implement policies, practices, and programs that support employees' career needs. Which one of the following, if true, would best support the argument that the firm should institute a flexible career track program?

C) Executive positions at Dick's Sporting Goods are predominantly held by men.

52. ABC Consulting has a formal mentoring program in which senior-level managers are paired with less-experienced employees. Which one of the following employees most likely needs a mentor?

A) Raj, who is uncertain how to navigate office politics

53. Which one of the following terms refers to advancements to positions of increased responsibility?

C) promotions

54. Which one of the following terms refers to reassignments to similar positions in other parts of a firm?

A) transfers

55. Competence rather than seniority is most likely the basis for promotion when \_\_\_\_\_.

A) corporate competitiveness is necessary

56. What can diminish positive feelings toward the promotion process?

C) secrecy

57. Which one of the following is the simplest and most often used method for predicting the future performance of a candidate for promotion?

A) prior performance

58. All of the following are characteristic of a formal promotion process EXCEPT \_\_\_\_\_.

D) promotions are based on unpublished requirements

59. Tanya accused a male superior of sexual harassment. Later, Tanya was turned down for a promotion because the accused superior persuaded Tanya's current supervisor not to promote Tanya. This is most likely an example of \_\_\_\_\_.

B) retaliation

60. According to the court system, promotions based on subjective assessments \_\_\_\_\_.

C) must be supported by objective evidence

61. An employer may transfer an employee for all these reasons EXCEPT \_\_\_\_\_.

B) personal enrichment

62. Why are an increasing number of firms focusing on retirement planning?

A) concerns about future labor shortages

63. All of the following are true statements about retirement EXCEPT \_\_\_\_\_.

A) most employees who plan to work after 65 must do so for financial reasons

64. All of the following methods are used by firms to recruit and retain retirement-age workers EXCEPT \_\_\_\_\_.

C) using psychometric selection tests

65. \_\_\_\_\_ is reducing, usually dramatically, the number of people employed by a firm.

D) Downsizing

66. Pablo Industries needs to send home a number of workers due to lack of work, although it expects they will return at a future time. This is an example of a \_\_\_\_\_.

D) layoff

67. Roberto is leaving Smith Industries but before he actually leaves, the company wants to meet with him to elicit information aimed at giving the employer insights into the company. This is known as a(n) \_\_\_\_\_.

C) exit interview

68. Mar-Tel Industries is reducing the size of its workforce. It is providing terminated employees with career planning and job search skills to help them find their next jobs. This service is known as \_\_\_\_\_.

A) outplacement counseling

69. Willful disregard or disobedience of the boss's authority or legitimate orders is known as \_\_\_\_\_.

D) insubordination

70. Dwight has just been in an interview in which he was informed of the fact that he had been dismissed. This is called a(n) \_\_\_\_\_.

B) termination interview

#### Open questions:

1. In a brief essay, discuss the roles and responsibilities of managers, mentors, and coaches in an employee's career development.

Managers - Provide performance feedback, developmental assignments, and support. Participate in career development discussions and support employee development plans.

Coaches - Focus on teaching shorter-term, job-related skills and providing guidance on specific tasks or projects.

Mentors - Help employees navigate longer-term, hard-to-reverse career issues and offer advice based on their own experiences and insights.

2. What is reality shock? What efforts can be taken by an employer to prevent reality shock?

Reality shock happens when new employees realize that their job doesn't meet their expectations, leading to boredom or dissatisfaction. Employers can prevent reality shock by offering realistic job previews and providing challenging first assignments to align expectations with the job's actual demands.

3. What are the characteristics of an effective mentor?



Effective mentors set high standards, invest time and effort, and actively guide protégés into important opportunities. Trust, professional competency, consistency, communication skills, and willingness to share control are essential characteristics. Mentoring programs reduce turnover by providing support for discussing issues, office politics, and career goals.

#### 4. Describe at least four ways organizations can work to boost the retention of employees.

Raise pay - Increasing salaries, especially for high performers, can be an effective retention strategy.

Hire smart - Selecting the right employees and supervisors from the start is crucial for retention.

Discuss careers - Regularly engage with employees to discuss their career goals and development plans.

Offer flexibility - Providing flexible work arrangements, such as telecommuting options, can enhance retention rates.

#### 5. How can firms benefit from retirement planning programs?

Firms can benefit from retirement planning programs by retaining the skills and expertise of older workers who would otherwise retire. Analyzing pending retirements is a crucial first step. Employers can then implement policies like offering part-time positions, flexible work arrangements, and phased retirement programs to encourage older workers to stay. Studies indicate that committed and loyal employees are more likely to continue working past retirement age.

#### 6. What steps can an employer take to enhance the career development needs and promotional prospects of its female employees?

enhance the career development and promotional prospects of female employees by:

- Taking women's career interests seriously and identifying and eliminating institutional barriers.
- Ensuring that career development programs accommodate the needs of women, including family responsibilities.
- Implementing flexible career tracks and schedules that allow women to balance work and family obligations effectively.
- Improving opportunities for networking and mentoring to support women's professional growth.

- Addressing the glass ceiling by creating inclusive policies and practices that promote gender equality in leadership positions.

#### 7. In a brief essay, discuss the four decisions that affect a firm's promotion process.

Seniority vs. Competency - Choosing between promoting based on seniority or competency, or a combination of both.

Defining competency - Deciding how to define and measure competency, considering past performance and its predictive value.

Formal vs. informal process - Determining whether the promotion process will be formal, with policies and job postings, or informal, relying on personal networks.

Vertical vs. horizontal promotion - Deciding whether promotions will be vertical, horizontal, or involve other types of positions, especially relevant during downsizing.

#### 8. What are the four major grounds for dismissal?

1. Unsatisfactory performance - Persistent failure to meet job requirements, including excessive absenteeism or tardiness.

2. Misconduct - Deliberate violation of employer's rules, such as theft or disruptive behavior.

3. Insubordination - Refusal to carry out orders or disrespectful behavior toward managers.

4. Lack of qualifications - Inability to perform assigned work despite diligence, or incapability to adapt to changes in job requirements.

#### 9. Since dismissing an employee is one of the most difficult tasks a manager can face at work, what are the guidelines a manager should use in a termination interview?

These are the guidelines for the termination interview.

- Plan the interview carefully
- Get to the point
- Describe the situation
- Listen
- Review the severance package
- Identify the next step

#### 10. When the organization desires to cut costs and raise profitability, downsizing could be an option. In a brief essay, discuss the matter that needs to be carefully considered in reducing the number of people employed by a firm.

1. Selection process - Ensure that the right employees are let go, relying on an effective performance appraisal system.
2. Legal compliance - Adhere to all applicable laws, such as the WARN Act, to avoid legal repercussions.
3. Fairness - Execute dismissals in a just and fair manner to maintain morale and trust within the organization.
4. Security - Take measures to safeguard company assets and information during the downsizing process.
5. Communication - Reduce uncertainty among remaining employees by providing clear communication and addressing their concerns promptly.

## **Chapter 11**

1. Which one of the following terms refers to all forms of pay or rewards going to employees and arising from their employment?  
D) employee compensation
2. Which one of the following is NOT a type of direct financial payment?  
B) insurance
3. Which one of the following terms refers to pay in the form of financial benefits, such as insurance?
4. John is a sales representative in a jewelry store. He typically works 40 hours per week and his pay is completely based on his sales. He earns a 5% commission for every sale he makes. Which one of the following terms best describes John's situation?  
A) pay for performance
5. Which one of the following factors has the LEAST effect on the design of an organization's pay plan?  
C) company vision
6. Which one of the following was enacted in 1931 for the purpose of setting wage rates for laborers and mechanics employed by contractors working for the federal government?  
D) Davis-Bacon Act

7. Which one of the following sets basic labor standards for employees working on any government contract that amounts to more than \$10,000?

B) Walsh-Healey Public Contract

8. Which compensation-related law contains provisions for minimum wage, maximum hours, overtime pay, equal pay, record-keeping, and child labor?

C) Fair Labor Standards Act

9. Which one of the following issues is NOT addressed by the Fair Labor Standards Act?

D) termination

10. Which law makes it illegal to discriminate against any individual with respect to compensation because of race, color, religion, sex, or national origin?

B) Title VII of the Civil Rights Act

11. According to the Fair Labor Standards Act, what rate of normal pay would a covered employee receive for working more than 40 hours in a workweek?

C) 150%

12. Jill works as a cashier at a grocery store. She earns \$10 an hour (or \$400 for a 40-hour week). Last week, she worked 46 hours. What is the minimum amount that Jill earned last week?

B) \$490

13. Joseph worked six hours of overtime this week but has decided to take time off instead of overtime pay. How many hours will Joseph receive in time off from work?

C) 9 hours

14. Which one of the following is true for employers who use independent contractors?

A) Fair Labor Standards Act overtime requirements do not apply.

15. In most cases, which of the following occupations is NOT exempt from the overtime provisions of the Fair Labor Standards Act?

C) paralegals

16. Which one of the following jobs is most likely categorized as nonexempt from the overtime pay provisions of the Fair Labor Standards Act?

C) bookkeeper

17. Anita, a manager at a department store, needs to determine whether one of her employees is exempt or nonexempt under the Fair Labor Standards Act. Which one of the following would be the best resource for Anita?

D) job description

18. Which one of the following states that employees of one sex may not be paid wages at a rate lower than that paid to employees of the opposite sex for doing roughly equivalent work?

D) Equal Pay Act

19. Which act regulates vesting rights and portability rights?

C) Employer Retirement Income Security Act

20. Which one of the following terms refers to the ownership employees build up in their pension plans should their employment with a firm end prior to retirement?

C) vesting

21. Which one of the following laws has the LEAST amount of influence on compensation decisions?

B) Labor Management Relations Act

22. Bonnie, a data analyst, needs to take time off from work to care for her elderly mother. According to the Family and Medical Leave Act, what is the maximum number of weeks of unpaid, job-protected leave that Bonnie may take?

C) 12

23. Which one of the following gives employees the right to organize, bargain collectively, and engage in concerted activities for the purpose of collective bargaining?

D) National Labor Relations Act

24. What has historically been the key issue in collective bargaining?

A) wage rates

25. Which one of the following issues would LEAST likely be negotiated by unions?

D) unpaid medical leave

26. Which one of the following terms refers to a compensation plan that advances a firm's strategic goals?

C) aligned reward strategy

27. Homelife, a national chain of high-end furniture stores, employs nearly 800 workers. In the past few years, the company's market share has dropped significantly, and employee turnover has increased. Upper management is considering the implementation of a new compensation policy in its efforts to turn the company around. Historically, the company has paid all employees similarly with some variation for seniority but no distinction between high and low performers. Which one of the following questions is LEAST relevant to Homelife's decision to develop an aligned reward strategy?

D) What are the results of Homelife employee salary surveys in regard to wage satisfaction?

28. Which one of the following is the LEAST likely way that an employer would address a cost-of-living differential?

D) raising commission percentages

29. What theory of motivation states that people are strongly motivated to maintain a balance between what they perceive as their contributions and their rewards?

B) Equity theory

30. Which one of the following is NOT a form of equity related to compensation issues?

A) group

31. Which form of equity refers to how a job's pay rate in one company compares to the job's pay rate in other companies?

C) external

32. Jason is an information systems technician in a town in North Carolina with a population of 100,000. He receives an annual salary of \$35,000. He recently found out that a nearby town with a similar population pays people in the same position \$40,000 annually. With which form of equity is Jason most concerned?

D) external

33. Which form of equity refers to the fairness of a job's pay rate in comparison to other jobs within the same company?

B) internal

34. Totino, a sales manager at IBM, recently learned that an IBM human resources manager with comparable responsibilities and spans of control earns a higher salary than Totino. Which form of equity is of most concern to Totino?

B) internal

35. Which form of equity refers to the fairness of an individual's pay as compared with what his or her co-workers are earning for the same or very similar jobs within the company, based on each individual's performance?

C) individual

36. Angelina is a lawyer in a mid-size firm in Chicago. She recently learned that another lawyer who joined the firm at the same time earns a higher salary than she does. Which form of equity is most relevant to Angelina's situation?

C) individual

37. Which form of equity refers to the perceived fairness of the processes used to make decisions regarding the allocation of pay?

D) procedural

38. External equity refers to \_\_\_\_\_.

A) how a job's pay rate in one company compares to the job's pay rate in other companies

39. Which one of the following best defines internal equity?

B) how fair the job's pay rate is, when compared to other jobs within the same company

40. Which one of the following is used to maintain internal equity?

A) job analysis comparisons

41. What type of equity is a manager most likely trying to maintain through the use of performance appraisals and incentive pay?

C) individual

42. Irmghard, a small business owner, wants to ensure external equity when establishing pay rates. Irmghard should most likely \_\_\_\_\_.

C) conduct a salary survey

43. Homelife, a national chain of high-end furniture stores, employs nearly 800 workers. In the past few years, the company's market share has dropped significantly, and employee

turnover has increased. Upper management is considering the implementation of a new compensation policy in its efforts to turn the company around. Historically, the company has paid all employees similarly with some variation for seniority but no distinction between high and low performers. Which one of the following, if true, best supports the argument that Homelife executives should primarily address internal equity issues when developing a new compensation plan?

B) Salary surveys indicate dissatisfaction among the Homelife managers in different departments.

44. Homelife, a national chain of high-end furniture stores, employs nearly 800 workers. In the past few years, the company's market share has dropped significantly, and employee turnover has increased. Upper management is considering the implementation of a new compensation policy in its efforts to turn the company around. Historically, the company has paid all employees similarly with some variation for seniority but no distinction between high and low performers. Which one of the following, if true, best supports the argument that Homelife should distribute salary surveys before establishing new pay rates?

A) Homelife executives want to identify benchmark jobs before determining the worth of other jobs.

45. Which one of the following is used to anchor the employer's pay scale?

C) benchmark job

46. Which one of the following terms refers to a systematic comparison done in order to determine the worth of one job relative to another?

B) job evaluation

47. Central basic factors that establish how several jobs compare to one another and that determine the pay for each job are called \_\_\_\_\_.

A) compensable factors

48. In most cases, the majority of the members on a job evaluation committee are \_\_\_\_\_.

B) employees

49. Which one of the following is NOT one of the typical methods used by job evaluation committees to determine the worth of a job?

D) paired comparison



50. When using the job evaluation method of job classification, raters categorize jobs into groups of similar jobs called \_\_\_\_\_.

A) classes

51. Which one of the following best describes the point method of job evaluation?

D) identifying and quantifying the compensable factors present in a job

52. Which job evaluation method is a quantitative technique involving the identification of several compensable factors and the degree to which each of these factors is present in the job?

B) point method

53. Which job evaluation method is used by most modern employers?

D) point method

54. What are the two primary components of computerized job evaluations?

C) structured questionnaires and statistical models

55. Which one of the following is NOT one of the compensable factors emphasized in the Equal Pay Act?

B) accountability

56. A \_\_\_\_\_ is comprised of jobs of approximately equal difficulty or importance as established by job evaluation.

C) pay grade

57. Which one of the following shows the relationship between the value of the job and the average pay for this job?

D) wage curve

58. The purpose of the wage curve is to \_\_\_\_\_.

A) show the relationship between the value of the job and the current average pay rates

59. Raul, the owner of Eastline Electronics, recently learned that the current rate being paid for the position of engineering assistant at his firm falls significantly below the wage line. Which one of the following steps should Raul most likely take to correct this problem?

D) provide a pay raise

60. Which one of the following terms refers to a series of steps or levels within a pay grade?

B) pay range

61. Which one of the following questions is most relevant to developing a market-competitive pay system?

B) What is the relevant labor market?

62. Ricardo was recently offered a position as vice president of marketing at a national retail chain. As a top executive at the firm, Ricardo will most likely be compensated with all of the following EXCEPT \_\_\_\_\_.

C) sales commissions

63. What is the primary purpose of offering an executive stock options in a compensation package?

B) encouraging the executive to increase the firm's value

64. A company using competency-based pay compensates employees for all of the following EXCEPT \_\_\_\_\_.

B) job title

65. Homelife, a national chain of high-end furniture stores, employs nearly 800 workers. In the past few years, the company's market share has dropped significantly, and employee turnover has increased. Upper management is considering the implementation of a new compensation policy in its efforts to turn the company around. Historically, the company has paid all employees similarly with some variation for seniority but no distinction between high and low performers. Which one of the following, if true, best supports the decision by Homelife executives to implement competency-based pay?

C) Homelife plans to organize employees into teams, provide regular training, and frequently assess workers' skills and knowledge.

66. \_\_\_\_\_ means collapsing salary grades and ranges into just a few wide levels, each of which contains a relatively wide range of jobs and salary levels.

C) Broadbanding

67. Which one of the following terms refers to the requirement to pay men and women equal wages for jobs of roughly equivalent value to the employer?

B) comparable worth

68. Which one of the following job evaluation methods is associated with almost every comparable worth lawsuit?

D) point method

69. According to many experts, which one of the following likely contributes the pay gap between men and women?

A) The "Motherhood Penalty"

70. Which one of the following is LEAST likely a benefit of using competency-based pay?

B) developing an efficient and legally defensible wage curve

71. \_\_\_\_\_ is the concept that employees, including managers, derive more from their work environment than traditional financial rewards.

A) Total compensation

#### Open questions:

1. What are the two primary ways to make direct financial payments to employees? How does compensation for managers or professionals differ from compensation for clerical or production workers at a firm?

Two primary ways to compensate employees are time-based pay and performance-based pay. Time-based pay is common for blue-collar and clerical workers, while salaried payment structures are typical for managers and professionals. Compensation plans for managers and professionals often prioritize factors like judgment and problem-solving abilities, emphasizing performance and results over static job demands. This may involve bonuses, incentives, market rates, and benefits in addition to base salaries.

2. What are the advantages for employers of claiming that someone doing work for them is an independent contractor rather than an employee? What generally makes a worker classified as an "independent contractor"?

Employers benefit from classifying workers as independent contractors because it exempts them from various tax and compensation obligations. Generally, a worker is considered an independent contractor if the payer only controls the result of the work, not the means by which it is achieved. However, the determination depends on multiple factors, and courts assess the overall working relationship to make a classification.

3. What are your compensation options if you are an employer who needs to transfer an employee from a low cost-of-living area to a high cost-of-living area?

Employers facing cost-of-living differences when transferring employees can opt for various compensation strategies. These include providing a lump sum payment, offering ongoing cost differentials along with a one-time allocation, or simply increasing the employee's base salary. For international transfers, companies may implement either a home-based or host-based salary plan. In the home-based plan, the base salary reflects the employee's home country's salary, with additional allowances for cost-of-living disparities. Conversely, the host-based plan adjusts the base salary to align with the host country's salary structure, supplemented by relevant allowances.

#### 4. Explain the equity theory of motivation. What are the four forms of equity?

Equity theory suggests that individuals are motivated to maintain a balance between their inputs and rewards. The four forms of equity are external, internal, individual, and procedural. External equity concerns how pay rates compare across different companies, while internal equity focuses on fairness within the same company. Individual equity relates to fairness in pay compared to coworkers, based on performance. Procedural equity involves the perceived fairness of decision-making processes regarding pay allocation.

#### 5. The point method of job evaluation is the most frequently used job evaluation method, but it is also associated with lawsuits involving comparable worth. In a brief essay, explain the point method of job evaluation and why it is problematic for firms in regard to comparable worth.

The point method of job evaluation assigns quantitative values to various factors within a job, allowing for a systematic comparison of different positions. However, it has been associated with lawsuits related to comparable worth. Comparable worth cases often involve the point method because it facilitates comparability ratings among different jobs by assigning points to dissimilar roles. To address comparable worth concerns, employers may need to ensure equal access to all jobs regardless of gender, thereby eliminating sex-segregated roles and potential wage discrimination issues.

#### 6. In a brief essay, discuss the purpose of job evaluations. Discuss the similarities and differences between job evaluations conducted for managerial positions and lower level positions at a firm.

Job evaluations determine the relative worth of different jobs within an organization, informing wage structures. While the process is similar across positions, there are differences. For managers, firms may use grade classifications or methods like job classification and point evaluation, considering factors like scope and complexity.

Regardless, job analysis, salary surveys, and aligning salaries with industry standards are vital for both managerial and lower-level positions.

**7. What are the primary factors involved in determining compensation for a firm's CEO? What reasons best explain compensation reductions for top executives in recent years?**

Determining CEO compensation involves factors like job complexity, the company's financial health, and the CEO's qualifications and experience. Reasons for recent compensation reductions include regulatory changes like Dodd-Frank, shareholder demands for transparency, increased scrutiny on executive pay disclosures, and accounting standards requiring the expensing of stock options.

**8. In a brief essay, compare and contrast the use of pay ranges with broadbanding.**

Pay ranges offer flexibility in attracting experienced employees and accommodating performance differences within a grade.

Broadbanding provides greater flexibility in employee assignments, especially in self-managing teams, but can be unsettling for new employees due to the lack of clear job boundaries associated with traditional job titles.

**9. What are the key differences between competency-based pay and traditional job-based pay? Which method would you prefer if you were an employee? Why?**

Traditional job-based pay (JBP) ties pay to the job itself, regardless of the employee's competency level, while competency-based pay (CBP) requires employees to demonstrate proficiency before receiving raises.

JBP may be based on grade or seniority, whereas CBP pays for competencies and allows for more advancement opportunities.

CBP enhances organizational flexibility by making employees' skills applicable to multiple jobs, whereas JBP may limit employees to specific roles based on job titles.

**10. What are the five main elements of a competency-based pay plan?**

Most competency-based pay plans contain five elements. The employer defines specific required skills and chooses a method for basing the person's pay on his or her skills. A training system lets employees acquire skills. There is a formal competency testing system. And, the work is designed so that employees can easily move among jobs of varying skill levels.