

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question. 1)

Human resources management refers to:

1)

\_\_\_\_\_ A)

the management of people in organizations. B)

management techniques for controlling people at work. C)

concepts and techniques used in leading people at work. D)

all managerial activities. E)

concepts and techniques for organizing work activities. 2)

The knowledge, education, training, skills, and expertise of a firm's workers is known as:

2)

\_\_\_\_\_ A)

production capital. B)

cultural diversity. C)

physical capital. D)

human capital. E)

management's philosophy. 3)

Human resources practices that support strategy include:

3)

\_\_\_\_\_ A)

rewards practices. B)

performance management. C)

staffing practices. D)

production scheduling. E)

policies and procedures. 4)

A company utilizes a system to measure the impact of Human Resources which balances measures relating to financial results, customers, internal business processes and human capital management. This system is known as the:

4)

\_\_\_\_\_ A)

balanced scorecard. B)

balanced strategy. C)

HRIS. D)

Human Capital Index. E)

none of the above. 5)

You have been tasked with building employee engagement at the firm you work for. Strategic human resources initiatives you would consider implementing include:

5)

\_\_\_\_\_ A)

job design indicators. B)

employee recognition programs. C)

employee relations activity. D)

diversity programs. E)

employee recognition programs and management development programs. 6)

HR department staff members are traditionally involved in key operational responsibilities. Which of the following is an operational responsibility?

6)

\_\_\_\_\_ A)

interpreting human right laws B)

collecting metrics C)

interpreting health and safety legislation D)

analyzing metrics E)

setting goals and objectives 7)

Being completely familiar with employment legislation, HR policies and procedures, collective agreements, and the outcome of recent arbitration hearings and court decisions is most closely related with which of the following HR activities?

7)

\_\_\_\_\_ A)

serving as a consultant B)

offering advice C)

serving as a change agent D)

formulating policies and procedures E)

providing services 8)

The practice of contracting with outside vendors to handle specified functions on a permanent basis is known as

8)

\_\_\_\_\_ A)

contract administration. B)

outsourcing. C)

hiring temporary employees. D)

payroll and benefits administration. E)

labour-management relations. 9)

The company's plan for how it will balance its internal strengths and weaknesses with external opportunities and threats in order to

maintain competitive advantage is known as

9)

\_\_\_\_\_ A)

strategy. B)

environmental scanning. C)

HR strategy. D)

policies and procedures. E)

none of the above. 10)

Rita is the HR Director of a manufacturing company. She recently undertook research to identify competitor compensation and

incentive plans, information about pending legislative changes and availability of talent in the labour market for the upcoming

strategic planning meeting. Rita was conducting:

10)

\_\_\_\_\_ A)

an external opportunities/threats study. B)

an external market survey. C)

an environmental study. D)

an employee engagement survey. E)

environmental scanning. 11)

The HR manager of Smith & Yu company was heavily involved in a downsizing exercise of the company's sales force due to an

economic downturn. He was also involved in arranging for outplacement services and employee retention programs as well as

restructuring of the business following the downsizing. This is an example of HR's role in:

11)

\_\_\_\_\_ A)

executing strategy. B)

environmental scanning. C)

operational activities. D)

formulating strategy. E)

environmental scanning and executing strategy. 12)

The core values, beliefs, and assumptions that are widely shared by members of an organization are known as:

12)

\_\_\_\_\_ A)

organizational culture. B)

the pervading atmosphere. C)

the mission statement. D)

organizational climate. E)

the strategic plan. 13)

As the HR consultant of a newly formed company, Arun has planned a presentation for the line managers on organizational culture

and the purpose it serves. Which of the following points would Arun have included in his presentation?

13)

\_\_\_\_\_ A)

fostering employee loyalty and commitment B)

increasing training levels C)

fostering employee loyalty and commitment and providing employees with a sense of direction D)

succession planning E)

creating a worldlier atmosphere 14)

The prevailing atmosphere or "internal weather" that exists in an organization and its impact on employees is

14)

\_\_\_\_\_ A)

the importance of having a mission statement. B)

the need for performance appraisals. C)

the need for a corporate culture. D)

organizational climate. E)

a myth about organizations. 15)

Revlex Inc. has decided to allow its front line workers to make decisions regarding the ordering of certain supplies that were formerly

made by managers. This initiative is an example of:

15)

\_\_\_\_\_ A)

workplace incentives. B)

job restructuring. C)

a change in organizational climate. D)

management development. E)

employee empowerment. 16)

Joe Brown was hired by a manufacturing firm as a supervisor. During his first few weeks as a supervisor he realised that employees

who report to him expect a lot of direction from him and expect all of the decision making to be done by him. Joe Brown decided to

train his employees to take on additional responsibilities and make decisions within a specific scope. Joe Brown is:

16)

\_\_\_\_\_ A)

outsourcing his staff. B)

empowering his staff. C)

reducing his staff. D)

embracing his staff. E)

none of the above. 17)

Economic downturns are generally associated with:

17)

\_\_\_\_\_ A)

skills shortages. B)

an overwhelming number of job applicants for vacancies. C)

more competition for qualified employees. D)

high turnover. E)

lower unemployment rates. 18)

The ratio of an organization's outputs to its inputs is known as:

18)

\_\_\_\_\_ A)

productivity. B)

the labour market. C)

competitive ability. D)

the equity ratio. E)

the supply and demand equation. 19)

External environmental influences having a direct or indirect influence on HRM include which of the following:

19)

\_\_\_\_\_ A)

decreasing work force diversity. B)

- increasing empowerment. C)
- labour market conditions. D)
- organizational climate. E)
- organizational culture. 20)

The ratio of an organization's outputs such as goods and its inputs such as capital is which of the following:  
20)

- \_\_\_\_\_ A)
- an internal environmental influence. B)
- workforce diversity. C)
- the labour market. D)
- productivity. E)
- outsourcing. 21)

When unemployment rates fall:  
21)

- \_\_\_\_\_ A)
- retention strategies increase in importance. B)
- there is always a greater demand for services. C)
- there is always a greater demand for services and training strategies increase. D)
- unions are more likely to organize workers. E)
- training and retention strategies increase in importance. 22)

Mortgage Financial needs to recruit 10 employees for a period of three months to assist its team of underwriters during the busy season. The company does not want to provide these 10 employees regular full-time or part-time status. As the HR manager, what would you suggest the company do in this situation?

- 22)
- \_\_\_\_\_ A)
- increase the workload of staff B)
- outsource the underwriting function C)
- develop a retention plan D)
- do nothing about the situation E)
- use contingent employees 23)

The characteristics of the work force are known as:  
23)

- \_\_\_\_\_ A)
- unionization. B)
- organizational climate. C)
- population trends. D)
- diversity. E)
- demographics. 24)

The single most important factor governing the size and composition of the labour force is:  
24)

- \_\_\_\_\_ A)
- population growth. B)
- the birth rate. C)
- immigration patterns. D)
- the death rate. E)
- diversity. 25)

Any attribute that humans are likely to use to tell them, "that person is different from me," and thus includes such factors such as race, gender, age, values and cultural norms, is known as

- 25)
- \_\_\_\_\_ A)
- diversity. B)
- differences. C)
- minorities. D)
- characteristics. E)

perceptions. 26)

Baby boomers:

26)

\_\_\_\_\_ A)

are currently causing a great deal of competition for advancement. B)

will be increasing rapidly in numbers over the next few decades. C)

resulted in a focus on recruitment and selection in organizations in the past. D)

were born between 1946 and 1965. E)

have had very high fertility rates. 27)

Characteristics of Generation X employees include:

27)

\_\_\_\_\_ A)

sense of security linked to corporate loyalty. B)

mastering of technology. C)

action-orientedness. D)

a desire for work/life balance. E)

eagerness to make a contribution. 28)

The Sandwich Generation refers to:

28)

\_\_\_\_\_ A)

individuals with responsibilities for young dependents and elderly relatives. B)

employees who have to bring their lunch to work because they can't afford to eat out. C)

individuals who are caught in the generation gap. D)

Generation Y. E)

employees with older and younger coworkers. 29)

If you were the HR advisor of a company where the majority of the workforce consisted of employees born after 1980, what initiatives would you recommend providing to keep the group challenged?

29)

\_\_\_\_\_ A)

eldercare benefits B)

continuous skill development C)

job security D)

empowerment and challenging work E)

flexible work arrangements 30)

If you were the HR advisor of a company where the majority of the workforce consisted of employees born before 1965 what initiatives would you recommend providing to keep the group challenged?

30)

\_\_\_\_\_ A)

flexible work arrangements B)

job security C)

independent work D)

eldercare and pension benefits E)

onsite gym facilities 31)

Canadians who are functionally illiterate are:

31)

\_\_\_\_\_ A)

older Canadians who did not have the opportunity to attend school. B)

exacting a toll on organizations' productivity levels. C)

no longer in the work force. D)

able to perform routine technical tasks without assistance. E)

involved in academic upgrading through their place of employment. 32)

Approximately \_\_\_\_\_ percent of the Canadian population could be members of visible minorities by 2017.

32)

\_\_\_\_\_ A)

40 B)

30 C)

20 D)

50 E)

none of the above 33)

Which of the following statements is true?

33)

\_\_\_\_\_ A)

Ethnic diversity is starting to level off in Canada. B)

The proportion of visible and ethnic minorities entering the Canadian labour market peaked in the mid-1990s and is gradually

decreasing. C)

The majority of Canadians are of French or British origin. D)

Most visible and ethnic minority Canadians are professionals. E)

Ethnic diversity is increasing. Currently, more than 200 different ethnic groups are represented among Canadian residents. 34)

Technological advances in manufacturing have:

34)

\_\_\_\_\_ A)

eliminated many blue-collar jobs. B)

led to significant increases in the employment of persons with disabilities. C)

decreased the importance of white-collar jobs. D)

resulted in a decline in the impact of workforce diversity. E)

had little impact on service-sector firms. 35)

Which of the following jobs are likely to increase in the market as a result of technological advances?

35)

\_\_\_\_\_ A)

professional jobs and managerial positions B)

no types of jobs will increase C)

blue-collar jobs D)

professional jobs E)

assembly line work 36)

Questions concerning \_\_\_\_\_ are at the core of a growing controversy brought about by the new information technologies.

36)

\_\_\_\_\_ A)

privacy and social responsibility B)

employee stress levels C)

data control, accuracy, right to privacy and ethics D)

speed, accuracy, and efficiency E)

job satisfaction 37)

You are the Director of Human Resources at a real estate development company based in Toronto. To attract and retain employees

born after 1981 which of the following would be the most strategic to implement?

37)

\_\_\_\_\_ A)

eldercare B)

an environmental stewardship program C)

greater job security D)

a comprehensive pension plan E)

more opportunity to work independently 38)

You are the HR generalist of a national railway. Which employment legislation would you refer to when it comes to employee

relations issues within the organization?

38)

\_\_\_\_\_ A)

territorial B)

federal C)

provincial D)

provincial/territorial E)

none of the above 39)

Which of the following apply to employers and employees across Canada?

39)

\_\_\_\_\_ A)

Employment Insurance and employment legislation B)

the Canada Labour Code C)

Employment Insurance and Canada/Quebec Pension Plan D)

Employment Insurance and human rights legislation E)

Employment equity legislation 40)

The tendency of firms to extend their sales or manufacturing to new markets abroad is known as:

40)

\_\_\_\_\_ A)

product diversification. B)

international marketing. C)

globalization. D)

cultural diversity. E)

domestication. 41)

The globalization of markets and manufacturing has vastly increased:

41)

\_\_\_\_\_ A)

the quality of products and services. B)

international competition. C)

the prices of products and services. D)

employee turnover. E)

standardization practices. 42)

The process of analyzing manufacturing processes, reducing production costs, and compensating employees based on their

performance levels is found in:

42)

\_\_\_\_\_ A)

the human relations movement. B)

scientific management. C)

the human resources movement. D)

the scientific movement. E)

none of the above. 43)

Which of the following was given emphasis in Frederick Taylor's theory on HRM?

43)

\_\_\_\_\_ A)

work conditions B)

cross-functional cooperation C)

job rotation D)

empowerment of employees E)

compensation tied to performance 44)

Management practices in the late 1800s and early 1900s emphasized:

44)

\_\_\_\_\_ A)

workplace harmony. B)

task simplification and performance-based pay. C)

higher wages. D)

empowerment. E)

self-management. 45)

Mary Parker Follett was a:

45)

\_\_\_\_\_ A)

- strong advocate of scientific management. B)
- supporter of the view that workers are a factor of production. C)
- believer in self-management. D)
- believer in the motivational power of money. E)
- strong advocate of authoritarian management. 46)

The management philosophy based on the belief that attitudes and feelings of workers are important and deserve more attention is known as:

- 46)
- \_\_\_\_\_ A)
- scientific management. B)
- psychology. C)
- the human resources movement. D)
- socialism. E)
- the human relations movement. 47)
- The Hawthorne Studies are closely linked with:
- 47)
- \_\_\_\_\_ A)
- the human relations movement. B)
- Frederick Taylor. C)
- the human resources movement. D)
- scientific management. E)
- Mary Parker Follett. 48)

Which of the following statements is true of the Hawthorne Studies?

- 48)
- \_\_\_\_\_ A)
- Economic incentives were found to be the most closely linked to productivity. B)
- The conclusions had little impact on management practices. C)
- Worker morale was greatly influenced by such factors as the supervisor's leadership style. D)
- Treating workers with dignity and respect was found to have a weak correlation to productivity. E)
- Researchers were not interested in the factors influencing worker morale and productivity. 49)

Which of the following activities was part of the traditional role of personnel management in the early 1900s?

- 49)
- \_\_\_\_\_ A)
- handling union-management relations B)
- environmental scanning C)
- hiring and firing employees D)
- coaching and mentoring E)
- being part of the strategy planning discussions 50)
- In the early 1900s, personnel administration, as it was then called:
- 50)
- \_\_\_\_\_ A)
- served a key advisory role in organizations. B)
- focussed on trying to improve the human element in organizations. C)
- was closely tied to union-management relations. D)
- played a very subservient role in organizations. E)
- was highly influenced by laws and regulations. 51)

The second phase of personnel management arrived in the 1930s with:

- 51)
- \_\_\_\_\_ A)
- minimum wage legislation. B)
- a decrease in unionizing activities. C)
- a decrease in unionizing activities and minimum wage legislation. D)
- health and safety legislation. E)
- the decreasing momentum of the scientific management movement. 52)



If you were an HR professional in the 1940s or 1950s you would likely have had the following activities added onto your portfolio of existing responsibilities:

52)

\_\_\_\_\_ A)

hiring and firing. B)

handling orientation and performance appraisals. C)

administering benefits. D)

running the payroll department. E)

focusing on proactive management. 53)

The third major phase in personnel management was a direct result of:

53)

\_\_\_\_\_ A)

the impact of the human relations movement. B)

a desire for professionalism. C)

an increase in unionizing activities. D)

the increasing amount of government legislation. E)

government intervention following the depression. 54)

The third phase of personnel management was concerned largely with:

54)

\_\_\_\_\_ A)

benefits administration. B)

corporate contribution and proactive management. C)

corporate contribution. D)

payroll. E)

health and safety legislation compliance. 55)

The fourth phase of HRM is ongoing. Current management thinking holds that:

55)

\_\_\_\_\_ A)

social influences are no longer important to most employees. B)

employees are often the firm's best competitive advantage. C)

employees are quite similar in terms of the rewards they seek. D)

employees are motivated primarily by compensation and benefits. E)

the goals and aims of management must be achieved at all costs. 56)

Characteristics of a profession include:

56)

\_\_\_\_\_ A)

government regulation. B)

certification of members. C)

many diverse points of view. D)

the existence of a common body of knowledge and certification of members. E)

competing codes of ethics. 57)

The broad objectives of HR associations across the country include:

57)

\_\_\_\_\_ A)

skills updating. B)

serving as a voice for HR practitioners. C)

providing opportunities for information exchange. D)

assisting in the provision of training in the field of HR. E)

all of the above. 58)

The Canadian national body through which all provincial and specialist HR associations are affiliated is called the:

58)

\_\_\_\_\_ A)

International Personnel Management Association–Canada. B)

Society for Human Resource Management. C)

Human Resources Professionals Association of Ontario. D)

Canadian Council of Human Resources Associations. E)

Canadian Management Association. 59)

Payoffs associated with properly implemented ethics programs include:

59)

\_\_\_\_\_ A)

increased profits. B)

increased stakeholder confidence. C)

greater client/customer and employee loyalty. D)

decreased vulnerability to legal liability issues. E)

all of the above. 60)

The implied, enforced, or felt obligation of managers, acting in their official capacities, to serve or protect the interests of groups other than themselves, is known as:

60)

\_\_\_\_\_ A)

valuing diversity. B)

a code of ethics. C)

social responsibility. D)

professionalism. E)

legal compliance. 61)

Taking a stand on anti-animal testing, human rights protection, and environmental conservation is an example of a firm's:

61)

\_\_\_\_\_ A)

mission statement. B)

desire for legal compliance. C)

code of ethics. D)

sense of social responsibility. E)

ethics policy. TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false. 62)

The goal of HRM is to align people practices to organizational strategy to produce behaviours required to achieve organizational goals.

62)

\_\_\_\_\_ 63)

HR responsibilities have shifted from operational to strategic responsibilities which involve formulating and executing organizational strategy.

63)

\_\_\_\_\_ 64)

An HR professional can build employee engagement by coaching line managers to build trusting relationships with their employees, establishing recognition programs and providing management development programs.

64)

\_\_\_\_\_ 65)

Management can lose its authority and power by empowering its employees.

65)

\_\_\_\_\_ 66)

HR professionals are increasingly expected by their employers to be change agents who lead the organization and its employees through change

66)

\_\_\_\_\_ 67)

The growing emphasis on education and human capital reflects several social and economic factors, such as the increase in primary-sector employment.

67)

\_\_\_\_\_ 68)

Recent research indicates that there is a strong positive relationship between employee engagement and organizational performance.

68)

\_\_\_\_\_ 69)

Technological advances will continue to shift employment from some occupations to others, while contributing to a decline in productivity.

69)

\_\_\_\_\_ 70)

HRM has evolved over the last few decades due to economic forces such as globalization, technological changes, and intense competition, all of which make human capital more important.

70)

\_\_\_\_\_ 71)

As an HR professional in today's organizations, you need to be concerned with ethical issues such as security of information, employee and client privacy, governance and conflicts of interest.

71)

\_\_\_\_\_ ESSAY. Write your answer in the space provided or on a separate sheet of paper. 72)

Discuss how the impact of HRM on an organization is measured. 73)

Discuss the responsibilities of Human Resource Management. 74)

You have been hired as the Director of Human Resources at a telecommunications company. Define organizational culture and climate and explain the importance of each to the company. 75)

Describe key HRM issues related to demographic trends and workforce diversity. 76)

Discuss the theories that have contributed to the evolution of HRM and the challenges faced. 77)

Describe the role of ethics in HRM and its challenges and benefits.

1)  
A 2)  
D 3)  
D 4)  
A 5)  
E 6)  
B 7)  
B 8)  
B 9)  
A 10)  
E 11)  
A 12)  
A 13)  
C 14)  
D 15)  
E 16)  
B 17)  
B 18)  
A 19)  
C 20)  
D 21)  
E 22)  
E 23)  
E 24)  
A 25)  
A 26)  
D 27)  
D 28)  
A 29)  
D 30)  
D 31)  
B 32)  
C 33)  
E 34)  
A 35)  
A 36)  
C 37)  
B 38)  
B 39)  
C 40)  
C 41)  
B 42)  
B 43)  
E 44)  
B 45)  
C 46)  
E 47)  
A 48)  
C 49)  
C 50)  
D 51)  
A 52)  
B 53)  
D 54)

B 55)  
 B 56)  
 C 57)  
 E 58)  
 D 59)  
 E 60)  
 C 61)  
 D 62)  
 TRUE 63)  
 TRUE 64)  
 TRUE 65)  
 FALSE 66)  
 TRUE 67)  
 FALSE 68)  
 TRUE 69)  
 FALSE 70)  
 TRUE 71)  
 TRUE 72)

HR professionals need to be able to measure the value and impact of their organization's human capital and HRM practices. Traditional operational measures focused on the size and cost of the HR function such as absenteeism rates and cost per hire, but today's measures need to reflect the quality of people and the effectiveness of HRM initiatives that build workforce capability. Watson Wyatt developed a Human Capital Index which outlines 30 key HR practices and indicates their contributions to shareholder value. These 30 practices were summarized into 5 categories—recruiting excellence, clear rewards and accountability, collegial and flexible workplace, communications integrity and prudent use of resources. Many organizations are using the balanced scorecard approach, which translates into financial results, customers, internal business process and human capital. 73)

Human resources management responsibilities and activities fall into two categories: operational responsibilities and strategic responsibilities. Traditionally HR professionals have focused on operational responsibilities. However, there is a growing focus on HR taking a more strategic role.

Operational responsibilities include activities such as selection and assimilation into the organization, development of capabilities and transition out of the organization. Traditional roles of HR professionals include acting as an in-house consultant, offering advice on HR-related matters, formulating HR policies and procedures and other HR services. In the recent years most of the administrative/operational activities of HR have been outsourced.

Strategic responsibilities include getting involved in strategy formulation and execution. HR professionals together with line managers undertake environmental scanning, which helps the organization to identify and analyze internal strengths and weaknesses and external threats and opportunities. HR professionals can provide information about such things as the incentive programs used by competitors, pending legislative changes and impending labour shortages. In terms of executing strategy, HR professionals act as change agents when organizations go through significant changes such as mergers, acquisitions, and downsizing. HR also is involved in reducing labour costs by introducing strategies to reduce turnover, absenteeism and occupational injuries and accidents. 74)

Organization culture consists of the core values, beliefs, and assumptions that are widely shared by members of an organization. It serves a variety of purposes:

- communicating what the organization "believes in" and "stands for"
- providing employees with a sense of direction and expected behaviour (norms)
- shaping employees' attitudes about themselves, the organization, and their roles
- creating a sense of identity, orderliness, and consistency
- fostering employee loyalty and commitment

Organizational climate refers to the prevailing atmosphere that exists in an organization and its impact on employees. The major factors influencing the climate are management's leadership style, HR policies and practices, and amount and style of communication.

The type of climate that exists is generally reflected in the level of employee motivation, job satisfaction, performance, and productivity, and thus has a direct impact on organizational profits and/or ongoing viability. 75)

Key demographic and diversity issues faced by Canadian organizations include age, education, women, visible minorities, aboriginal people and persons with disabilities.

With the baby boomers retiring within the next few decades, Canada is said to be faced with a looming shortage of skilled workers. On the other hand is the Sandwich Generation, with responsibilities for bringing up children as well as caring for elderly relatives who are no longer capable of functioning independently. Therefore, organizations are forced to look at HR practices to accommodate the

growing needs and concerns of these employees. For example, some companies have started to provide eldercare benefits to those who have elderly relatives. Members of Generation X have pushed HR practices to include flexible work arrangements and a better work/life balance. Generation Y, who are now beginning to enter the workforce, are known as masters of technology and comfortable with authority and diversity. Organizations are yet again required to make changes to keep this group challenged and to manage the overall diversity in the workplace. With the level of education increasing amongst the Canadian workforce, managers are expected to try to ensure that the talents and capabilities of employees are fully utilized and that opportunities are provided for career growth.

Employment for women has steadily increased over the decades, and organizations are accommodating working women and shared parenting responsibilities by offering on-site daycare, emergency childcare support, and flexible work arrangements. Visible minorities are entering the labour market at a faster pace than the rest of the population, which poses numerous challenges for employers with increased diversity. Employers are required to recognize foreign credentials and be fair in the recruitment and selection process to give opportunities to those who are new to Canada. Persons with disabilities still continue to experience high rates of unemployment and underemployment, and to receive lower pay. 76)

The evolution of HRM can be discussed through the following theories.

Scientific Management: Concern for Production

The process of "scientifically" analyzing manufacturing processes, reducing production costs, and compensating employees based on their performance levels.

Human Relations Movement: Concern for People

A management philosophy based on the belief that the attitudes and feelings of workers are important and deserve more attention.

The Human Resources Movement: Concern for People and Productivity

A management philosophy focusing on concern for people and productivity.

Arriving at this joint focus on people and productivity involved four evolutionary phases.

The main reason for this evolution has been economic factors such as globalization, intense competition and deregulation, which have made human capital more important. Many traditional sources of competitive advantage have become less powerful. Companies are now using human capital to create a competitive advantage. However, there are number of challenges that slow the progress. HR is still considered a cost-centre by most line and senior management. Many HR professionals also need to acquire more broad-based business knowledge and skill sets and be recognized as equal business partners at the decision-making table. 77)

The professionalization of HRM has created the need for a uniform code of ethics as one of the requirements of maintaining professional status. CCHRA Code of Ethics provide guidelines for employees and employers. Increasingly HR is involved in providing ethics training, and monitoring to ensure compliance with the code of ethics. Key ethical issues facing Canadian organizations pertain to security of information, employee and client privacy, environmental issues, governance, and conflicts of interest.

Main reasons for failure to achieve desired outcomes are attributed to lack of leadership and inadequate training. Advantages of having an ethics program properly implemented include increased confidence among stakeholders, greater client, customer and employee loyalty, decreased vulnerability to crime, reduced losses due to internal theft and increased public trust.