

Personnel Planning and Recruiting

Multiple Choice

1. _____ is the process of deciding what positions the firm will have to fill.
 - a. Recruitment
 - b. Selection
 - c. Personnel planning
 - d. Interviewing
 - e. None of the above(c; easy; p. 152)

2. Jane must decide what positions the firm should fill in the next six months. What activity is Jane working on?
 - a. Recruitment
 - b. Selection
 - c. Personnel planning
 - d. Interviewing
 - e. None of the above(c; easy; p. 152)

3. When a company decides on how to fill top executive positions, the process is called _____.
 - a. employment planning
 - b. succession planning
 - c. selection
 - d. interviewing
 - e. testing(b; moderate; p. 152)

4. When planning for employment requirements, what must be forecasted?
 - a. personnel needs
 - b. supply of inside candidates
 - c. supply of outside candidates
 - d. all of the above
 - e. none of the above(d; easy; p. 153)

5. Which term below means studying variations in a firm's employment levels over time?
 - a. ratio analysis
 - b. trend analysis
 - c. graphical analysis
 - d. computer analysis
 - e. all of the above(b; easy; p. 153)

6. Trend analysis is limited in its usefulness, because _____.
a. it considers time but not other changes such as productivity
b. it considers too many possible influences
c. it only provides an initial estimate
d. it assumes constant increases in productivity
e. all of the above
(a; difficult; p. 153)
7. The process of making forecasts based on the relation between some causal factor like sales volume and the number of employees required is called _____.
a. ratio analysis
b. trend analysis
c. graphical analysis
d. computer analysis
e. all of the above
(a; easy; p. 154)
8. Suppose a salesperson traditionally generates \$500,000 in sales and the company wishes to increase sales by \$4 million dollars per year. Using ratio analysis, how many new salespeople are required?
a. 4
b. 5
c. 6
d. 7
e. 8
(e; difficult; p. 154)
9. A _____ shows graphically how two variables are related.
a. trend analysis
b. ratio analysis
c. scatter plot
d. productivity chart
e. correlation analysis
(c; easy; p. 154)
10. What type of data is needed to use computerized forecasts for estimating future personnel requirements?
a. labor hours required to produce one unit of product
b. minimum sales projection
c. maximum sales projection
d. probable sales projection
e. all of the above
(e; moderate; p. 155)

11. _____ contain data on employees' performance records, educational background, and promotion recommendations.
- a. Computerized information systems
 - b. Replacement charts
 - c. Qualifications inventories
 - d. Trend records
 - e. Personnel files
- (c; moderate; p. 155)
12. When managers need to determine which employees are available for promotion or transfer, they will use _____.
- a. computerized information systems
 - b. replacement charts
 - c. qualifications inventories
 - d. trend records
 - e. personnel files
- (c; moderate; p. 155)
13. Qualifications inventories can be tracked and maintained by using _____.
- a. personnel inventories
 - b. replacement charts
 - c. position replacement cards
 - d. computerized information systems
 - e. all of the above
- (e; moderate; p. 155)
14. Which tool below can be used in databases to protect the information?
- a. passwords
 - b. encryption
 - c. access matrices
 - d. work experience codes
 - e. intranets
- (c; moderate; p. 157)
15. Recruiting is necessary to _____.
- a. forecast the supply of outside candidates
 - b. develop an applicant pool
 - c. determine whether to use inside or outside candidates
 - d. develop qualifications inventories
 - e. all of the above
- (b; moderate; p. 157)

16. Which of the following is not a reason to recruit through a central office?
- a. reduction of duplication of efforts
 - b. shared expenses
 - c. development and availability of recruitment experts
 - d. autonomous divisions
 - e. synergistic recruiting opportunities
- (d; moderate; p. 157)
17. Why are large applicant pools considered desirable?
- a. allow the firm the chance to be more selective
 - b. increase costs involved in screening applicants
 - c. extend time required to fill vacant positions
 - d. costs of processing applicants outweighs benefits of selectivity
 - e. provide an opportunity to use prescreening computer software
- (a; difficult; p. 158)
18. When evaluating the effectiveness of recruitment sources, what should be measured?
- a. the cost of using each source
 - b. the number of applicants produced
 - c. the quality of applicants produced
 - d. the time involved in using each source
 - e. both b and c
- (e; moderate; p. 160)
19. Which of the following methods can be used to assess quality of applicants?
- a. work sample tests
 - b. structured interviews
 - c. grade point average
 - d. job knowledge tests
 - e. all of the above
- (e; easy; p. 160)
20. Which method listed below has the highest level of validity for predicting job performance?
- a. work sample tests
 - b. biographical data
 - c. grade point average
 - d. SAT scores
 - e. ratings of training and experience
- (a; difficult; p. 160)

21. A _____ can be used to calculate the number of applicants necessary to result in hiring the required number of new employees.
- a. trend analysis
 - b. ratio analysis
 - c. recruiting yield pyramid
 - d. computer information system
 - e. log function
- (c; moderate; p. 161)
22. What is a recruiting yield pyramid used for?
- a. to calculate the number of applicants necessary to result in hiring the required number of new employees
 - b. to decide what positions the firm will have to fill
 - c. to study variations in a firm's employment levels over time
 - d. to forecast the number of new employees necessary to generate a predetermined level of productivity
 - e. to determine which employees might be qualified for projected openings
- (a; moderate; p. 161)
23. Which of the following is a disadvantage of using internal sources of candidates to fill vacant positions?
- a. knowledge of candidates' strengths and weaknesses
 - b. potential to upset or lose employees who aren't promoted
 - c. accurate view of skill sets
 - d. high commitment to the company
 - e. reduced training and orientation required
- (b; easy; p. 162)
24. Job posting refers to all of the following except
- a. publicizing the open job to employees
 - b. listing the job's attributes
 - c. listing the job's pay rate
 - d. listing the job's required qualifications
 - e. listing the number of desired applicants
- (e; easy; p. 162)
25. The first step in succession planning is to _____.
- a. create an applicant pool
 - b. assess candidates
 - c. identify and analyze key jobs
 - d. select who will fill key positions
 - e. analyze the strengths of current employees
- (c; moderate; p. 163)

26. The second step in succession planning is to _____.
a. create an applicant pool
b. assess candidates
c. identify and analyze key jobs
d. select who will fill key positions
e. analyze the strengths of current employees
(b; moderate; p. 163)
27. The third step in succession planning is to _____.
a. create an applicant pool
b. assess candidates
c. identify and analyze key jobs
d. select who will fill key positions
e. analyze the strengths of current employees
(d; moderate; p. 163)
28. How can high potential employees be developed for future positions?
a. internal training
b. cross-functional experience
c. job rotation
d. external training
e. all of the above
(e; moderate; p. 163)
29. Which of the following methods is not used to recruit outside candidates?
a. advertising
b. job postings
c. employment agencies
d. executive recruiters
e. all are used to recruit outside candidates
(b; difficult; p. 163)
30. The effectiveness of advertising for recruiting qualified applicants depends upon _____.
a. complementary recruiting methods
b. graphical appeal
c. ad construction
d. corporate image
e. unemployment rate
(c; moderate; p. 165)

31. When constructing the ad, it is important to consider how to best _____.
a. attract attention to the ad
b. develop interest in the job
c. create desire for the job
d. prompt action
e. all of the above
(e; easy; p. 165)
32. The I in AIDA stands for _____.
a. interest
b. instructions
c. internal candidates
d. introspection
e. identification
(a; easy; p. 165)
33. The D in AIDA stands for _____.
a. development of the ad
b. detailed job qualifications
c. desire for the position
d. defensive recruitment strategies
e. dominant work qualifications
(c; moderate; p. 165)
34. Which of the following statements from a hypothetical job advertisement is intended to develop interest in a job?
a. "You'll thrive on challenging work."
b. "Ideal candidates will possess a four-year degree with an emphasis in management."
c. "Schedule flexibility and familiarity with various software applications required."
d. "Responsibilities include event planning and relationship management."
e. All of the above
(a; moderate; p. 165)
35. Which of the following states has its own public, state-run employment service agency?
a. North Carolina
b. New York
c. California
d. Wisconsin
e. All of the above
(e; easy; p. 166)

36. The U.S. Department of Labor operates a nationwide computerized job bank called _____.
a. Monster.com
b. CareerBuilder
c. The National Job Bank
d. Smartforce
e. None of the above
(c; moderate; p. 166)
37. Counselors in state-run employment agencies conduct all of the following activities except _____.
a. review the employer's job requirements
b. fill jobs
c. visit employer work sites
d. write job descriptions
e. counselors perform all of these activities
(e; moderate; p. 166)
38. State-run employment agencies provide _____ to employers.
a. recruitment services
b. tax credit information
c. training programs
d. all of the above
e. none of the above
(d; moderate; p. 166)
39. Who is typically responsible for paying the fees charged by private employment agencies when they place qualified individuals in jobs?
a. U.S. Department of Labor
b. the employer
c. the employee
d. the state employment commission
e. there are no fees
(b; easy; p. 166)
40. Which of the following is not an advantage of using a private employment agency?
a. it may be faster than in-house recruiting
b. it does not require internal recruitment specialists
c. screening may not be as thorough
d. it may be better for attracting minority candidates
e. it is more comfortable when approaching candidates from competitors
(c; moderate; p. 167)

41. Which of the following is not another term for contingent workers?
- a. part-time
 - b. just-in-time
 - c. collateral
 - d. temporary
 - e. all are terms for contingent workers
- (c; difficult; p. 167)
42. Contingent workers are used in _____ occupations.
- a. clerical
 - b. engineering
 - c. medical
 - d. all of the above
 - e. none of the above
- (d; moderate; p. 167)
43. Jackie works as a nurse on temporary assignment for hospitals throughout the region on an as-needed basis. Jackie is _____.
- a. a contingent worker
 - b. on job rotation
 - c. using job enlargement
 - d. all of the above
 - e. none of the above
- (a; easy; p. 167)
44. All of the following are disadvantages of using contingent workers except
- a. higher productivity
 - b. increased cost compared to permanent workers
 - c. lower commitment to company
 - d. potential for legal risks
 - e. tendency to treat contingent workers differently from permanent workers
- (a; moderate; p. 168)
45. _____ are special employment agencies retained by employers to seek out top management talent for their clients.
- a. State-run employment agencies
 - b. Private employment agencies
 - c. Temporary agencies
 - d. Executive recruiters
 - e. Job banks
- (d; easy; p. 171)

46. Executive recruiters are also called _____.
a. headhunters
b. staffers
c. alternative staffing companies
d. contract technical recruiters
e. all of the above
(a; moderate; p. 171)
47. Recruiting services that provide short-term specialized recruiting to support specific projects without the expense of retaining traditional search firms are called _____.
a. retained executive searches
b. contingent-based searches
c. on demand
d. just in time
e. ad hoc services
(c; moderate; p. 173)
48. What is the typical compensation structure for on demand recruiting services?
a. hourly rate
b. 30% of each hire's salary
c. percentage fee
d. commission
e. menu of fees based on specific services
(a; difficult; p. 173)
49. What percentage of a new hire's salary do traditional firms typically charge for recruitment services?
a. 1%
b. 5%
c. 10%
d. 30%
e. 50%
(d; moderate; p. 166)
50. Which of the following is a disadvantage of using an executive recruiter?
a. many contacts in field
b. adept at contacting candidates who are not on the job market
c. unfamiliar with company perceptions of ideal candidate
d. ability to keep identity of firm confidential
e. screening of many applicants
(c; moderate; p. 171)

51. Pamlico River Productions is seeking a top-level executive to serve in its finance division. Qualified candidates can be difficult to find because there is more demand than supply. Pamlico River Productions should consider using a(n) _____ for recruitment.
- a. state-run employment agency
 - b. executive recruiter
 - c. temporary agency
 - d. internet-based job site
 - e. any of the above
- (b; moderate; p. 171)
52. A small biotech firm is seeking several employees with experience in pharmaceuticals and advanced degrees in life sciences. The firm is a small one and cannot afford to pay a traditional recruiting firm the expected fee of 30% of salary per hire. This firm should consider using a(n) _____.
- a. on demand recruiting service
 - b. state-run employment agency
 - c. temporary agency
 - d. internet-based job site
 - e. retained executive search firm
- (a; moderate; p. 173)
53. KPG Industries has hired an executive recruiter to recruit qualified applicants for its Chief Financial Officer position. The position pays a salary of \$175,000 and KPG has agreed to pay the fee whether the person hired is found via the executive recruiter or through some other method. KPG is using a(n) _____.
- a. on demand recruiting service
 - b. retained executive search service
 - c. contingency-based recruiter
 - d. temporary agency
 - e. National Job Bank
- (b; moderate; p. 171)
54. Which of the following is an advantage of college recruiting?
- a. access to a source of management trainees
 - b. schedules for recruitment visits set far ahead of time
 - c. access to candidates who are not looking for jobs
 - d. ability to keep identity of company confidential
 - e. all of the above
- (a; moderate; p. 173)

55. College recruiters typically seek to _____.
a. determine whether a candidate is worthy of further consideration
b. fill the position
c. cut costs for the firm by reducing the need to for on-site interviews
d. develop a pool of applicants for future screening
e. all of the above
(a; difficult; p. 173)
56. Besides determining whether a candidate is worth further consideration, college recruiters also seek to _____.
a. fill the position
b. cut costs for the firm by reducing the need to for on-site interviews
c. develop a pool of applicants for future screening
d. attract good candidates
e. all of the above
(d; moderate; p. 173)
57. Which tool or approach listed below is recommended for selling the employer to the interviewee?
a. informal attitude
b. attractive recruiters
c. emphasis on the job location
d. well written job descriptions
e. all of the above
(a; difficult; p. 174)
58. SB&A Consulting plans to do some college recruiting to fill entry-level management positions this year. In choosing the colleges to visit, it should consider _____.
a. school location
b. school reputation
c. cost to attend school
d. size of school
e. all of the above
(b; difficult; p. 174)
59. One of the biggest challenges facing single parents in the job market is _____.
a. getting access to the Internet to search job sites
b. balancing work and family life
c. getting a sufficient salary
d. finding permanent job positions
e. all of the above
(b; moderate; p. 178)

60. The fastest growing labor force segment in the United States over the next few years will be those from _____ years old.
- a. 16-22
 - b. 23-29
 - c. 30-44
 - d. 45-64
 - e. 65+
- (d; moderate; p. 178)
61. People aged 25 to 34 will _____ in the next few years.
- a. increase
 - b. decrease
 - c. remain the same
 - d. exceed those in the 45-64 age group
 - e. exceed those in the 18-24 age group
- (b; moderate; p. 179)
62. Which of the following is a main motivator for employees over 65?
- a. getting a raise
 - b. getting a promotion
 - c. schedule flexibility
 - d. working in a supportive environment
 - e. all of the above
- (c; moderate; p. 179)
63. All of the following are characteristics of older employees except
- a. lower absenteeism
 - b. higher reliability
 - c. higher absenteeism
 - d. better work habits
 - e. desire for flexibility
- (c; difficult; p. 179)
64. Smith Industries has set a goal of recruiting minority applicants. Which method listed below is likely to be the least successful for Smith Industries?
- a. employee referral campaigns
 - b. specialized job search Web sites
 - c. specialized recruiters
 - d. executive recruiters
 - e. all are likely to be successful
- (d; difficult; p. 179)

65. The Federal Personal Responsibility and Welfare Reconciliation Act of 1996 prompted many employers to _____.
a. hire more minority workers
b. implement welfare-to-work programs
c. offer flexible benefit plans
d. advertise training programs
e. all of the above
(b; moderate; p. 180)
66. Once a firm has a pool of applicants, the first step in pre-screening is the _____.
a. in-person interview
b. on-site visit
c. application form
d. telephone interview
e. recommendation from recruiters
(c; moderate; p. 181)
67. Which of the following is not a type of information that should be provided by application forms?
a. education
b. experience
c. work stability
d. applicant's age
e. previous progress and growth
(d; difficult; p. 181)
68. Which of the following could be perceived as discriminatory when asked on an employment application form?
a. housing status
b. memberships in organizations
c. marital status
d. arrest record
e. all of the above
(e; moderate; p. 181)

69. Mandatory alternative dispute resolution agreements require _____.
a. disgruntled employees to contact the local EEOC office prior to filing formal complaints
b. applicants to agree to arbitrate certain legal disputes related to employment or dismissal
c. applicants to take unpaid leaves of absence during employment disputes
d. employees to meet with human resources officials prior to submitting a resignation
e. applicants agree not to dispute decisions of the company regarding their employment
(b; difficult; p. 182)
70. When requesting information from applicants on an in-case of emergency contact person, employers can ask all of the following except _____.
a. name of contact
b. address of contact
c. relationship to applicant
d. telephone number of contact
e. all of the above should be requested
(c; difficult; p. 181)

True/ False

71. Employment planning should be an integral part of a firm's strategic and HR planning process. (T; easy; p. 152)
72. Personnel planning rarely utilizes techniques like ratio analysis or trend analysis to estimate staffing needs. (F; moderate; p. 153)
73. Trend analysis assumes the productivity increases over time. (F; difficult; p. 153)
74. The assumption shared by both trend analysis and ratio analysis is that productivity remains about the same from year to year. (T; moderate; p. 154)
75. Access matrices are used to define the rights of users to various kinds of access for each element in a database. (T; moderate; p. 157)
76. The lower the rate of unemployment, the easier it is to recruit personnel. (F; moderate; p. 157)
77. The HR manager who recruits for a vacant job is typically the one who is responsible for supervising the performance of that position. (F; difficult; p. 157)
78. Effective recruiting results in a large number of applicants. (F; difficult; p. 158)
79. General mental ability tests show higher validity for predicting job performance than tests of individuals' level of conscientiousness. (T; moderate; p. 160)

80. Rehiring former employees could signal current employees that the best way to get ahead is to leave the company. (T; moderate; p. 163)
81. The best medium for advertising vacant positions is the Internet. (F; difficult; p. 164)
82. Local newspapers are the best source for blue-collar help and clerical employees. (T; easy; p. 164)
83. Every state has a public, state-run employment service agency. (T; moderate; p. 166)
84. The U.S. Department of Labor maintains a nationwide computerized job bank called the National Job Bank. (T; easy; p. 166)
85. The 1998 Workforce Investment Act required states to give any citizen access to one-stop-shop neighborhood training, employment, educational services centers. (T; moderate; p. 166)
86. Contingent workers are primarily clerical positions filled with temps. (F; difficult; p. 167)
87. Some firms use contingent workers as short-term chief financial officers. (T; moderate; p. 167)
88. Contingent workers are paid less than comparable permanent workers. (F; difficult; p. 167)
89. Retained executive recruiters are paid whether or not they eventually fill the client's vacant position. (T; easy; p. 171)
90. Contingency-based recruiters focus on top management job searches with salaries in the \$150,000+ range. (F; moderate; p. 171)
91. The typical percentage fee charged by traditional recruiting firms for an executive search is 10% of the new hire's salary. (F; moderate; p. 171)
92. Single mothers prefer a work environment they perceive as supportive of their challenge to balance work and family requirements. (T; easy; p. 178)
93. People's occupational needs and preferences change as they grow older. (T; easy; p. 179)
94. Older workers usually have higher absenteeism rates compared to younger workers due to illness. (F; difficult; p. 179)
95. A question on an employment application form that requests the dates of attendance and graduation from various schools may be illegal as it could reflect an applicant's age. (T; difficult; p. 181)
96. The EEOC is generally opposed to the use of mandatory alternative dispute resolution agreements which are required by many employers. (T; moderate; p. 182)
97. The U.S. Supreme Court has upheld the use of mandatory arbitration agreements but individual agreements can be struck down by the courts depending upon their merits. (T; difficult; p. 182)
98. For a mandatory alternative dispute resolution agreement to be binding, it simply needs to be a clause in the employment application. (F; moderate; p. 182)
99. Firms can predict job performance of applicants by modeling the relationship between success on the job and responses on the application form. (T; difficult; p. 186)

100. When firms use the information on job application forms as a predictor of job performance, they are allowed to request more information (such as age and tendency to attend religious services) on application forms. (F; moderate; p. 186)

Essay/ Short Answer

101. What are the advantages and disadvantages of centralizing the recruitment function? (moderate; p. 159)

Answer: Centralizing makes it easier to apply the company's strategic priorities company-wide. It reduces duplication and makes it easier to spread costs over more departments. It is a disadvantage to use centralized recruiting when the divisions are autonomous or when recruitment needs are varied.

102. Explain why generating large applicant pools is not always desirable for a firm. What implications exist for recruitment methods? (difficult; p. 160)

An employer seeks to attract qualified applicants rather than unqualified applicants. Some recruitment methods result in large pools but the applicants are unqualified. Larger pools raise costs of correspondence and screening. It also extends the time necessary to fill vacant positions because of the additional time necessary to sort through the large pool of applicants. The implication is that managers should evaluate different recruitment methods to determine which ones work best for the firm. These methods should be evaluated in terms of the number of applicants produced and the quality of applicants.

103. Why are current employees often the best source of candidates for vacant positions? (moderate; p. 162)

Answer: Using internal sources of candidates means that the firm is already aware of the candidates' strengths and weaknesses. Inside candidates may also be more committed to the company. Morale may rise if employees see others promoted as rewards for loyalty and competence. Inside candidates may also require less orientation and training than outsiders.

104. What are the pros and cons associated with using public, state-run employment agencies? (moderate; p. 166)

Answer: Applicants for unemployment insurance must register and make themselves available for interviews. Some of these applicants may not be interested in finding new employment. Agency counselors will visit an employer's work site, review employer's job requirements, and even assist the employer in writing job descriptions.

105. Why do employers turn to private employment agencies for assistance in recruiting? Provide at least four reasons for the use of such employment agencies. (moderate; p. 167)

Answer: There are six key reasons for using an employment agency. The firm does not have to have internal human resource specialists for recruiting and screening. The firm may have had difficulties in the past recruiting a qualified pool of applicants. The firm may need the position filled very quickly. There is a perceived need to recruit more minority and female applicants. When the best candidates are employed elsewhere, it is more comfortable to have an agency approach the candidates. Use of an agency reduced recruiting time.

106. What are the primary concerns reported by temporary workers? How can these concerns be addressed by companies using contingent workers? (moderate; p. 167)

Answer: In one survey, six key concerns were reported by temporary workers. These workers said that they were 1) treated in a dehumanizing, impersonal, and discouraging way; 2) insecure about their employment and pessimistic about the future; 3) worried about their lack of insurance and pension benefits; 4) misled about job assignments; 5) underemployed; and 6) angry toward the corporate world. Companies should first seek to understand why contingent employees may feel this way. Treating contingent workers fairly and equitably compared to permanent employees will be important. Companies should also be sure to deal with the temporary agency regarding training, job assignments, and pay negotiations.

107. What policies and procedures are critical for companies using temporary agencies for contingent workers? (moderate; p. 167)

Answer: Companies should get a sample copy of the agency's invoice to ensure that the invoice fits the company needs. Time sheets should be used because they provide a verification of hours worked and an agreement to pay the agency's fees. The company should find out what policies guide the hiring of an agency temp as a permanent employee. The company should also find out how the agency recruits employees and what kind of benefits it pays. The company should specify its dress code at each location to the agency. The company should insist on getting a document from the agency stating that it is not discriminating when filling temp orders. Finally, make sure that the agency has the proper information regarding what is required to adequately fill each job position.

108. What are the two types of executive recruiters? Explain the difference between them. (easy; p. 171)

Answer: Executive recruiters may be contingent or retained. Retained recruiters are paid whether or not the employer eventually hires the executive through the efforts of the search firm. These recruiters tend to focus on executive positions paying \$150,000 or more. Contingency-based recruiters tend to handle junior to middle level management job searches in the \$50,000 - \$150,000 range.

109. What are the advantages and disadvantages of using an employee referral campaign for recruitment purposes? (moderate; p. 174)

Answer: Employee referral campaigns offer incentives and rewards to employees who refer qualified applicants. Employees like the opportunity to earn extra money while recommending friends and colleagues. Current employees can and usually will provide accurate information about job applicants they refer. The new employees typically come with a realistic picture of what working in the firm is like. It can also be useful for hiring workers with diverse backgrounds. However, the program can result in poor morale if someone's friend is rejected. Further, the program can result in a discriminatory situation if most current employees are white males.

110. What four types of information can be learned about a job candidate from the application form? (moderate; p. 181)

Answer: One can determine whether the applicant has the education and experience necessary to do the job. One can draw conclusions about the applicant's previous progress and growth. One can draw conclusions about the applicant's stability based on previous work record. One may be able to use the information provided to predict which candidates will succeed on the job and who will not.