Chapter 1

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

1) Human resources management refers to:
   A) the management of people in organizations.
   B) concepts and techniques for organizing work activities.
   C) all managerial activities.
   D) concepts and techniques used in leading people at work.
   E) management techniques for controlling people at work.

2) The knowledge, education, training, skills, and expertise of a firm's workers is known as:
   A) physical capital.
   B) management's philosophy.
   C) human capital.
   D) production capital.
   E) cultural diversity.

3) Human resources practices that support strategy include:
   A) performance management.
   B) production scheduling.
   C) policies and procedures.
   D) staffing practices.
   E) rewards practices.

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 knows as the:
   A) HRIS.
   B) balanced strategy.
   C) Human Capital Index.
   D) balanced scorecard.
   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:
   A) employee recognition programs and management development programs.
   B) diversity programs.
   C) employee recognition programs.
   D) employee relations activity.
   E) job design indicators.

6) HR department staff members are traditionally involved in key operational responsibilities. Which of the following is an operational responsibility?
   A) setting goals and objectives
   B) collecting metrics
   C) analyzing metrics
   D) interpreting human right laws
   E) interpreting health and safety legislation

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?

A) serving as a consultant
B) formulating policies and procedures
C) offering advice
D) providing services
E) serving as a change agent

8) The practice of contracting with outside vendors to handle specified functions on a permanent basis is known as
A) hiring temporary employees.
B) payroll and benefits administration.
C) contract administration.
D) outsourcing.
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
A) HR strategy.
B) strategy.
C) environmental scanning.
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:
A) environmental scanning.
B) an employee engagement survey.
C) an external market survey.
D) an envrionmental study.
E) an external opportunities/threats study.

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:
A) formulating strategy.
B) operational activities.
C) environmental scanning.
D) environmental scanning and executing strategy.
E) executing strategy.

12) The core values, beliefs, and assumptions that are widely shared by members of an organization are known as:
A) organizational climate.
B) the strategic plan.
C) the mission statement.
D) organizational culture.
E) the pervading atmosphere.

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?

A) creating a worldlier atmosphere
 B) fostering employee loyalty and commitment
 C) increasing training levels
 D) succession planning
 E) fostering employee loyalty and commitment and providing employees with a sense of direction

14) The prevailing atmosphere or "internal weather" that exists in an organization and its impact on employees is
    A) the importance of having a mission statement.
    B) the need for a corporate culture.
    C) a myth about organizations.
    D) organizational climate.
    E) the need for performance appraisals.

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:
    A) workplace incentives.
    B) a change in organizational climate.
    C) management development.
    D) job restructuring.
    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:
    A) embracing his staff.
    B) outsourcing his staff.
    C) empowering his staff.
    D) reducing his staff.
    E) none of the above.

17) Economic downturns are generally associated with:
    A) high turnover.
    B) more competition for qualified employees.
    C) skills shortages.
    D) an overwhelming number of job applicants for vacancies.
    E) lower unemployment rates.

18) The ratio of an organization's outputs to its inputs is known as:
    A) the labour market.
    B) productivity.
    C) the supply and demand equation.
    D) competitive ability.
    E) the equity ratio.

19) External environmental influences having a direct or indirect influence on HRM include which of the following:
    A) labour market conditions.
    B) organizational culture.
    C) organizational climate.
    D) decreasing work force diversity.

E) increasing empowerment.

20) The ratio of an organization's outputs such as goods and its inputs such as capital is which of the following:
    A) productivity.
    B) workforce diversity.
    C) outsourcing.
    D) an internal environmental influence.
    E) the labour market.

21) When unemployment rates fall:
    A) training and retention strategies increase in importance.
    B) there is always a greater demand for services and training strategies increase.
    C) unions are more likely to organize workers.
    D) there is always a greater demand for services.
    E) 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?
    A) increase the workload of staff
    B) use contingent employees
    C) outsource the underwriting function
    D) do nothing about the situation
    E) develop a retention plan

23) The characteristics of the work force are known as:
    A) unionization.
    B) organizational climate.
    C) diversity.
    D) demographics.
    E) population trends.

24) The single most important factor governing the size and composition of the labour force is:
    A) population growth.
    B) the death rate.
    C) the birth rate.
    D) immigration patterns.
    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
    A) characteristics.
    B) diversity.
    C) minorities.
    D) differences.
    E) perceptions.

26) Baby boomers:
    A) are currently causing a great deal of competition for advancement.
    B) will be increasing rapidly in numbers over the next few decades.
    C) were born between 1946 and 1965.
    D) have had very high fertility rates.

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

27) Characteristics of Generation X employees include:
    A) action–orientedness.
    B) eagerness to make a contribution.
    C) a desire for work/life balance.
    D) mastering of technology.
    E) sense of security linked to corporate loyalty.

28) The Sandwich Generation refers to:
    A) individuals who are caught in the generation gap.
    B) individuals with responsibilities for young dependents and elderly relatives.
    C) Generation Y.
    D) employees who have to bring their lunch to work because they can't afford to eat out.
    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?
    A) job security
    B) empowerment and challenging work
    C) continuous skill development
    D) flexible work arrangements
    E) eldercare benefits

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?
    A) job security
    B) flexible work arrangements
    C) onsite gym facilities
    D) independent work
    E) eldercare and pension benefits

31) Canadians who are functionally illiterate are:
    A) involved in academic upgrading through their place of employment.
    B) older Canadians who did not have the opportunity to attend school.
    C) exacting a toll on organizations' productivity levels.
    D) able to perform routine technical tasks without assistance.
    E) no longer in the work force.

32) Approximately _____ percent of the Canadian population could be members of visible minorities by 2017.
    A) 40
    B) 20
    C) 50
    D) 30
    E) none of the above

33) Which of the following statements is true?
    A) The proportion of visible and ethnic minorities entering the Canadian labour market peaked in the mid–1990s and is gradually decreasing.
    B) Ethnic diversity is increasing. Currently, more than 200 different ethnic groups are represented among Canadian residents.
    C) Ethnic diversity is starting to level off in Canada.

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

E) Most visible and ethnic minority Canadians are professionals.

34) Technological advances in manufacturing have:

A) decreased the importance of white–collar jobs.

B) eliminated many blue–collar jobs.

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

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

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?

A) professional jobs

B) assembly line work

C) professional jobs and managerial positions

D) no types of jobs will increase

E) blue–collar jobs

36) Questions concerning _____ are at the core of a growing controversy brought about by the new information technologies.

A) job satisfaction

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

C) speed, accuracy, and efficiency

D) employee stress levels

E) privacy and social responsibility

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?

A) eldercare

B) greater job security

C) more opportunity to work independently

D) a comprehensive pension plan

E) an environmental stewardship program

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?

A) provincial

B) territorial

C) federal

D) provincial/territorial

E) none of the above

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

A) Employment Insurance and employment legislation

B) the Canada Labour Code

C) Employment Insurance and Canada/Quebec Pension Plan

D) Employment equity legislation

E) Employment Insurance and human rights legislation

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

A) international marketing.

B) domestication.

C) product diversification.

D) globalization.

E) cultural diversity.

41) The globalization of markets and manufacturing has vastly increased:

A) the quality of products and services.

B) standardization practices.

C) international competition.

D) the prices of products and services.

E) employee turnover.

42) The process of analyzing manufacturing processes, reducing production costs, and compensating employees based on their performance levels is found in:

A) the human relations movement.

B) the scientific movement.

C) the human resources movement.

D) scientific management.

E) none of the above.

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

A) job rotation

B) compensation tied to performance

C) work conditions

D) cross–functional cooperation

E) empowerment of employees

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

A) self–management.

B) empowerment.

C) workplace harmony.

D) task simplification and performance–based pay.

E) higher wages.

45) Mary Parker Follett was a:

A) believer in the motivational power of money.

B) believer in self–management.

C) strong advocate of scientific management.

D) supporter of the view that workers are a factor of production.

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:

A) the human relations movement.

B) the human resources movement.

C) scientific management.

D) psychology.

E) socialism.

47) The Hawthorne Studies are closely linked with:

A) Mary Parker Follett.

B) Frederick Taylor.

C) the human resources movement.

D) scientific management.

E) the human relations movement.

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

49) Which of the following activities was part of the the traditional role of personnel management in the early 1900s?
    A) environmental scanning
    B) coaching and mentoring
    C) being part of the strategy planning discussions
    D) hiring and firing employees
    E) handling union–management relations

50) In the early 1900s, personnel administration, as it was then called:
    A) focussed on trying to improve the human element in organizations.
    B) was closely tied to union–management relations.
    C) served a key advisory role in organizations.
    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:
    A) health and safety legislation.
    B) a decrease in unionizing activities.
    C) a decrease in unionizing activities and minimum wage legislation.
    D) the decreasing momentum of the scientific management movement.
    E) minimum wage legislation.

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:
    A) handling orientation and performance appraisals.
    B) running the payroll department.
    C) hiring and firing.
    D) administering benefits.
    E) focusing on proactive management.

53) The third major phase in personnel management was a direct result of:
    A) the impact of the human relations movement.
    B) a desire for professionalism.
    C) government intervention following the depression.
    D) an increase in unionizing activities.
    E) the increasing amount of government legislation.

54) The third phase of personnel management was concerned largely with:
    A) corporate contribution.
    B) health and safety legislation compliance.
    C) benefits administration.
    D) corporate contribution and proactive management.
    E) payroll.

55) The fourth phase of HRM is ongoing. Current management thinking holds that:
    A) employees are often the firm's best competitive advantage.
    B) employees are motivated primarily by compensation and benefits.
    C) employees are quite similar in terms of the rewards they seek.
    D) social influences are no longer important to most employees.
    E) the goals and aims of management must be achieved at all costs.

56) Characteristics of a profession include:
    A) government regulation.
    B) many diverse points of view.
    C) competing codes of ethics.
    D) the existence of a common body of knowledge and certification of members.
    E) certification of members.

57) The broad objectives of HR associations across the country include:
    A) assisting in the provision of training in the field of HR.
    B) serving as a voice for HR practitioners.
    C) skills updating.
    D) providing opportunities for information exchange.
    E) all of the above.

58) The Canadian national body through which all provincial and specialist HR associations are affiliated is
    called the:
    A) Human Resources Professionals Association of Ontario.
    B) Canadian Management Association.
    C) International Personnel Management Association–Canada.
    D) Canadian Council of Human Resources Associations.
    E) Society for Human Resource Management.

59) Payoffs associated with properly implemented ethics programs include:
    A) greater client/customer and employee loyalty.
    B) decreased vulnerability to legal liability issues.
    C) increased profits.
    D) increased stakeholder confidence.
    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:
    A) social responsibility.
    B) legal compliance.
    C) a code of ethics.
    D) valuing diversity.
    E) professionalism.

61) Taking a stand on anti–animal testing, human rights protection, and environmental conservation is an
    example of a firm's:
    A) sense of social responsibility.
    B) code of ethics.
    C) ethics policy.
    D) desire for legal compliance.
    E) mission statement.

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.

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

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.

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

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

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

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

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

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.

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.

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

52) A
53) E
54) D
55) A
56) B
57) E
58) D
59) E
60) A
61) A
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 Wayatt 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 place 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.

Chapter 2

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

1) A company with employees in different provinces/territories must monitor the legislation in each of the jurisdictions because:
    A) it is required under the Human Rights Act.
    B) legislation changes, and it may vary from one jurisdiction to another.
    C) it is specified under employment law.
    D) it is required under Canada Labour Code.
    E) legislation has commonalities across jurisdictions.

2) The government in each jurisdiction has created special regulatory bodies to enforce compliance with the law and aid in its interpretation. Two of such bodies include the:
    A) employment equity commission and ministry of labour.
    B) ministry of labour and HRSDC.
    C) human rights commission and labour unions.
    D) human rights commission and ministry of labour.
    E) ministry of labour and labour unions.

3) Which of the following covers the joint responsibility shared by workers and employers to maintain a hazard–free environment and to enhance the health and safety of workers?
    A) safety and WHMIS legislation
    B) employment equity legislation
    C) human rights legislation
    D) employment/labour standards legislation
    E) occupational health and safety legislation

4) Establishing minimum employee entitlement is most closely associated with:
    A) pay equity legislation.
    B) employment/labour standards legislation.
    C) employment equity legislation.
    D) the Charter of Rights and Freedoms.
    E) human rights legislation.

5) Which of the following statements about equal pay for equal work legislation is true?
    A) The principle "equal pay for equal work" makes it illegal to pay nurses and fire fighters differently if their jobs are deemed to be of equal worth to the employer.
    B) The principle "equal pay for equal work" makes it illegal to discriminate in pay on the basis of age.
    C) In the federal jurisdiction, this principle has been incorporated into the Employment Standards Act since 1971.
    D) Entitlement is found in the employment/labour standards legislation in every Canadian jurisdiction.
    E) Every jurisdiction in Canada has legislation incorporating the principle of equal pay for equal work.

6) Equal pay for equal work specifies that:
    A) male–dominated and female–dominated jobs of equal value must be paid the same.
    B) all people doing the same job should receive an identical pay rate.
    C) jobs with similar titles must be paid the same.
    D) an employer cannot pay male and female employees differently if they are performing substantially the same work.
    E) there can be no pay discrimination on the basis of race, gender, or age.

7) If a company classifies male employees as administrators and female employees doing the same work as

clerks   and provides different wage rates based on the classifications, the company is violating the
   A) gender–based discrimination principle.
   B) principle of equal pay for equal work.
   C) collective agreement.
   D) Income Tax Act.
   E) none of the above.

   8) The Charter of Rights and Freedoms:
   A) takes precedence over all other laws.
   B) is part of the Constitution Act of 1992.
   C) ensures that no laws infringe on Charter rights.
   D) is fairly limited in scope.
   E) applies to all Canadian employees and employers.

   9) Which of the following statements describe the Charter of Rights and Freedoms accurately?
   A) Legislation cannot be exempted from challenge under the Charter if a legislative body invokes the
      "notwithstanding" provision.
   B) The Charter allows laws to infringe on Charter rights if they can be demonstrably justified as
      reasonable limits in a free and democratic society.
   C) It applies to employees in certain provinces only.
   D) Employment standards legislation supercedes the Charter.
   E) The Courts of Appeal are the ultimate interpreters of the Charter.

   10) The Charter of Rights and Freedoms and the rights it contains such as freedom of association apply to:
   A) actions of the federal, provincial and municipal governments.
   B) private sector employers only.
   C) actions of all governments and all employers.
   D) actions of the federal government only.
   E) public and private sector employers.

   11) Which of the following statements about the Charter of Rights and Freedoms is true?
   A) The federal government is the final arbiter of the Charter.
   B) It provides for minority language education rights and provides the right to live and work anywhere in
      Canada.
   C) The Charter guarantees the right to strike.
   D) The overall impact of the Charter on the LR scene has been significant.
   E) The Charter provides the right to live and work anywhere in Canada.

   12) Human rights legislation:
   A) primarily affects compensation and selection.
   B) prohibits intentional discrimination only.
   C) affects every employer in Canada.
   D) is critically important to HR specialists, but has a relatively insignificant impact on supervisors and
      managers throughout the firm.
   E) is quite limited in scope.

   13) All jurisdictions in Canada prohibit discrimination on the grounds of:
   A) length of employment
   B) sexual orientation.
   C) criminal history.
   D) national or ethnic origin.
   E) race.

14) A company in the manufacturing sector terminated an employee because she was pregnant and about to go on maternity leave. This is a direct violation of the:
   A) Employment Standards Act.
   B) employment equity legislation of the applicable province
   C) health and safety legislation.
   D) human rights legislation of the applicable province.
   E) Charter of Rights and Freedoms.

15) Deliberately refusing to hire, train, or promote an individual on the basis of age is an example of:
   A) discrimination on the basis of association.
   B) intentional/direct discrimination.
   C) unintentional discrimination.
   D) intentional indirect discrimination.
   E) systemic discrimination.

16) A national railway has a safety rule that all employees working in the rail yard must wear hardhats. Several Sikh employees have refused to follow the rule as their religion forbids them from removing their turbans which is what is required in order for them to wear the hardhats. Which of the following is true?
   A) There is no discrimination.
   B) This is intentional discrimination.
   C) This is direct discrimination on the basis of religion.
   D) This is systemic discrimination.
   E) This is systemic discrimination on the basis of religion.

17) Requesting that an employment agency refer only male candidates for consideration as management trainees is an example of:
   A) discrimination on the basis of gender.
   B) reverse discrimination.
   C) systemic discrimination.
   D) discrimination on the basis of association.
   E) a permissible employer practice.

18) Asking young female factory–position applicants to demonstrate their lifting skills and not asking older female candidates or any male candidates to do so is an example of:
   A) discrimination on the basis of age.
   B) discrimination on the basis of age and race.
   C) a permissible employer practice.
   D) discrimination on the basis of age and gender.
   E) unintentional direct discrimination.

19) Refusing to hire a man convicted and pardoned for a drug–related offence as a counsellor at a federal correctional centre is an example of:
   A) intentional direct discrimination.
   B) protection against negligent hiring.
   C) a permissible employer practice under all human rights legislation.
   D) pro–active recruitment.
   E) systemic discrimination.

20) Refusing to promote a highly qualified white male into senior management because his wife has just been diagnosed with a chronic illness that might interfere with his willingness to work long hours is an example of:

A) discrimination on the basis of association.

B) systemic discrimination.

C) reverse discrimination.

D) differential treatment.

E) discrimination on the basis of disability.

21) The most difficult type of discrimination to detect and combat is:

A) differential treatment.

B) reverse discrimination.

C) systemic discrimination.

D) intentional indirect discrimination.

E) intentional direct discrimination.

22) A local airline refuses to hire as flight attendants any person who is below 5 feet tall. This is an example of:

A) discrimination on the basis of race.

B) discrimination on the basis of race and gender.

C) a permissible employer practice.

D) a neutral hiring policy.

E) discrimination on the basis of age.

23) Examples of systemic discrimination include:

A) lack of explicit anti–harassment guidelines and internal or word–of–mouth hiring policies in work places that have not embraced diversity.

B) refusing to hire persons convicted of a crime in Canada.

C) internal or word–of–mouth hiring policies in work places that have not embraced diversity.

D) job–related employment tests.

E) refusing to hire persons of Asian origin.

24) Which of the following statements is accurate about reasonable accommodation?

A) An employer is only required to accommodate in the case of discrimination on the basis of gender.

B) Employers are not expected to adjust work schedules to accommodate religious beliefs.

C) Employers are not expected to adjust employment policies and practices if discrimination is found.

D) Employers are expected to redesign a work station to enable an individual with a physical disability to do a job.

E) Accommodation short of the point of undue hardship to the employer is acceptable in certain circumstances.

25) A justifiable reason for discrimination based on business necessity is known as:

A) a bona fide occupational requirement.

B) reasonable accommodation.

C) permissible discrimination.

D) reverse discrimination.

E) a business necessity requirement.

26) Which of the following statements are accurate?

A) Organizations must be able to show that any physical standards used for selecting employees for a particular job are truly necessary.

B) Accommodating the needs of an employee with depression to the point of undue hardship is not required in certain Canadian jurisdictions.

C) It is not legally permissible to refuse to hire a blind person to drive a truck.

D) Imposing rigid physical standards for certain jobs is not systemic discrimination.

E) Accommodating work schedules around religious holidays is generally not required by human rights

legislation.

27) The Royal Canadian Mounted Police has a requirement that guards be of the same sex as prisoners being guarded. This is an example of:
    A) intentional and indirect discrimination.
    B) a violation of bona fide occupational requirement.
    C) systemic discrimination.
    D) a bona fide occupational requirement.
    E) reasonable accommodation.

28) Which of the following statements is true?
    A) Human rights legislation prohibits discrimination against all Canadians only in the area of employment.
    B) It is legally permissible for a bus company to require new drivers to be between the ages of 24 and 35 for the business purpose that newly hired drivers will get the least favourable routes and must therefore be young enough to cope with stress.
    C) Evidence is generally readily available to support the position that age is an accurate indication of a person's ability to perform a particular type of work.
    D) The human rights tribunal has the power to order an employer to give a position to an individual who has been discriminated against.
    E) The human rights tribunal has the power to order an employer to give a position to an individual who has been discriminated against and also has the power to order financial compensation for pain and suffering.

29) Airlines are legally permitted to:
    A) indicate a hiring preference for single persons as pilots.
    B) indicate a hiring preference for women as flight attendants.
    C) refuse to hire persons as flight attendants who do not possess minimum qualification for the position.
    D) exclude pregnant women from applying as flight attendants.
    E) indicate a hiring preference for single persons as flight attendants.

30) Harassment:
    A) directed by clients or customers towards an employee is not the employer's responsibility once it has been reported.
    B) includes unwelcome behaviour that demeans, humiliates, or embarrasses a person, and that a reasonable person should have known would be unwelcome.
    C) includes offensive or humiliating behaviour that is related to a person's sex, as well as behaviour of a sexual nature.
    D) on a prohibited ground is not constituted by directing derogatory remarks about Italians towards an Italian employee.
    E) is prohibited on all prescribed grounds in all jurisdictions and is a violation of reasonable accommodation.

31) The Supreme Court of Canada has made it clear that:
    A) having a harassment policy is sufficient to prevent harassment claims.
    B) it is an employee's responsibility to prevent and report harassment.
    C) alleged harassers should be severely punished.
    D) supervisors can be liable for failing to take action against harassment.
    E) if harassment is occurring, supervisors can ignore it unless an employee reports it to them directly.

32) A supervisor informing an employee that refusal to grant sexual favours will result in a poor performance rating is an example of:

A) a job related annoyance.
 B) sexual annoyance.
 C) a BFOR.
 D) sexual coercion.
 E) executive privilege.

33) A "poisoned" work environment is associated with:
    A) sexual coercion.
    B) a direct link to tangible job benefits.
    C) toxic substances.
    D) sexual annoyance.
    E) an occupational health and safety violation.

34) Jim is a new employee. He makes unwelcome sexual remarks and jokes. His behaviour is offensive and intimidating to the female employees. Jim's behaviour is an example of:
    A) permissible behaviour as long as it does not violate a policy.
    B) sexual coercion.
    C) sexual annoyance.
    D) permissible behaviour.
    E) sexual harassment.

35) Guidelines for implementing a harassment policy do not include:
    A) ensuring that a copy of the charge is placed in the file of the alleged harasser.
    B) developing a policy that prohibits harassment on all grounds listed in the Canadian Human Rights Act.
    C) requiring each employee to sign a document indicating that he or she has received harassment training.
    D) applying harsh discipline without a proper investigation.
    E) all of the above.

36) Which of the following statements about human rights enforcement procedures is true?
    A) A human rights commission can initiate a complaint if it has reasonable grounds to believe that a party is engaging in a discriminatory practice.
    B) The only human rights cases that can be heard by the Supreme Court of Canada are those involving federally–regulated employers and employees.
    C) Most human rights complaints are settled by a Board of Inquiry or Tribunal.
    D) Filing a human rights complaint involves significant employee costs.
    E) Human rights investigators must obtain a court order before entering an employer's premises.

37) Remedies for human rights code violations do not include:
    A) compensation for general damages.
    B) compensation for pain and humiliation.
    C) a written letter of apology.
    D) implementation of an employment equity program.
    E) ordering an employer to discriminate on a different prohibited ground than the one complained about.

38) The groups identified as having been subjected to pervasive patterns of differential treatment by Canadian employers, referred to in the federal employment equity legislation as designated groups, include:
    A) clergy.
    B) women.
    C) men.
    D) homosexuals.
    E) none of the above.

39) Evidence of pervasive patterns of differential treatment against the employment equity designated groups includes:
   A) discrimination.
   B) underemployment.
   C) systemic discrimination.
   D) sexual harassment.
   E) harassment.

40) The existence of certain occupations that have traditionally been performed by males and others that have been female dominated is known as:
   A) concentration.
   B) occupational segregation.
   C) underemployment.
   D) underutilization.
   E) the glass ceiling.

41) Saleem is a new immigrant with a master's degree in management. Despite his qualifications, Saleem has worked as a clerk in the shipping department of a company for the last year. This is an example of:
   A) a BFOR.
   B) underemployment.
   C) underutilization.
   D) indirect discrimination.
   E) occupational segregation.

42) Employment equity legislation aims to:
   A) remedy discrimination on the basis of gender, race, and disability.
   B) bring the six traditionally disadvantaged groups into the mainstream of Canada's labour force.
   C) remove employment barriers and promote equality for the women, visible minorities, aboriginal people and persons with disabilities.
   D) request employers under provincial jurisdiction to have a better representation of the designated groups at all levels within the organization.
   E) request employers under federal and provincial jurisdiction to have a better representation of the designated groups at all levels within the organization.

43) An employment equity program is designed to:
   A) reduce effects of a poisoned environment.
   B) increase representation of men in corporate board.
   C) achieve a balanced representation of designated group members.
   D) increase occupational segregation.
   E) reduce harassment and related complaints.

44) For an employment equity program to be successful:
   A) senior management should be responsible for the implementation process.
   B) a senior official should be appointed with the authority to discipline those failing to comply.
   C) an employment equity committee should be given ultimate authority.
   D) an employment equity policy statement should be filed in the company's HR policies and procedures manual.
   E) a written policy endorsed by senior management and posted throughout the organization or distributed to every employee, is an essential first step.

45) The term that applies to data–tracking designated group members by employment transactions and outcomes is:

A) flow data.
 B) stock data.
C) an employment systems review.
D) utilization data.
 E) transactional analysis.

46) Steps in the employment equity process typically include:
   A) obtaining senior–management commitment and support; employment systems review; implementation; and follow up.
    B) obtaining senior–management commitment and support; data collection and analysis; employment systems review; and diversity training.
   C) obtaining senior–management commitment and support; data collection and analysis; employment systems review; plan development; implementation; and monitoring.
   D) obtaining senior–management commitment and support; employment systems review; diversity training; and systems review.
    E) obtaining senior–management commitment and support; data collection; employment systems review; training; and follow–up.

47) Comparison data must also be collected on the number of designated group members available in the labour markets from which the organization recruits. This data may be obtained from:
   A) Statistics Canada.
    B) Statistics Canada and women's directorates.
   C) workers compensation boards.
   D) provincial legislatures.
    E) women's directorates.

48) The comparison of an employer's internal work force profile with external work force availability data is known as:
   A) a utilization analysis.
    B) flow data.
   C) an employment systems review.
   D) a transactional analysis.
    E) stock data.

49) A bank is collecting the following information for an employment equity program: number of designated group members that have applied for jobs with the firm, been interviewed, been hired and given opportunities for training, promotions and terminations. What type of data is this organization collecting?
   A) flow data
    B) stock data
   C) internal data
   D) utility analysis data
    E) statistical data

50) Employment systems typically reviewed during an employment equity audit include:
   A) employee opinion survey.
    B) profitability analysis.
   C) regression charts.
   D) examination of internal policies and procedures.
    E) stock data and flow data.

51) Which of the following statements about employment equity goals is true?
   A) In Canada, employment equity goals are often imposed by government.

B) Only quantitative goals are applicable to employment equity.

C) Goals are the same as quotas.

D) Goals and timetables are the core of an employment equity program.

E) Goals should be tied to firm, fixed timetables.

52) Providing specialized training to aid designated group members to break the glass ceiling is an example of:

A) a positive measure.

B) an accommodation measure.

C) illegal preferential treatment.

D) a supportive measure.

E) a quantitative goal.

53) A tuition reimbursement program is an example of:

A) an accommodation measure.

B) a positive measure.

C) an employment equity policy.

D) a supportive measure.

E) an employment equity timetable.

54) Which types of employment equity initiatives are designed to enable all employees to achieve a better balance between work and other responsibilities?

A) accommodation measures.

B) quantitative goals.

C) positive measures.

D) qualitative goals.

E) supportive measures.

55) Reverse discrimination:

A) is a major problem in Canada that needs immediate action.

B) can be avoided if realistic goals and timetables are established.

C) is caused by the fact that Canada's employment equity legislation involves government–imposed quotas.

D) is an inevitable result of equal opportunity and equity legislation.

E) results when preferential treatment is given to a designated group member in the case of two equally–qualified candidates.

56) Which of the following statements regarding people with disabilities is true?

A) People with disabilities still fall short of their estimated labour market availability.

B) Of all the designated groups, people with disabilities in the private sector have benefited least from the Employment Equity Act.

C) People with disabilities make up only 2.5% of the federal private sector workforce.

D) The representation of persons with disabilities in the federal public sector increased to 5.7% in 2004.

E) The median employment income of persons with disabilities is 83% of that of other Canadian workers.

57) Visible minority group members also made some progress in their representation in the federal private sector. Their representation:

A) more than doubled from 4.9% in 1987 to 13.3% in 2004.

B) is higher than their estimated availability.

C) more than doubled from 8% in 1987 to 15% in 2001.

D) more than tripled from 8% in 1987 to 15% in 2001.

E) more than tripled from 4.9% in 1987 to 11.7% in 2001.

58) Diversity management is:
    A) broader and more inclusive in scope than employment equity.
    B) another term for employment equity.
    C) encompassed in legal compliance with human rights and employment equity legislation.
    D) targeted at the four designated groups.
    E) a voluntarily–initiated employment equity initiative.

59) Reasons for embracing diversity include:
    A) ethical and social responsibility concerns only.
    B) the fact that employees with different ethnic backgrounds often possess foreign–language skills.
    C) ethical and social responsibility concerns, the spending power of Canada's visible minorities, and the
        fact that employees with different ethnic backgrounds often possess foreign–language skills.
    D) it is required by legislation.
    E) the spending power of Canada's visible minorities and it is required by legislation.

60) Diversity initiatives:
    A) never involve overcoming resistance to prejudices.
    B) involve a complex change process.
    C) should be undertaken quickly and involve a complex change process.
    D) usually do not involve overcoming resistance to change.
    E) should be undertaken quickly.

61) Organizations that have been most successful in managing diversity tend to share all of the following
    characteristics EXCEPT:
    A) diversity training programs.
    B) support groups or mentoring programs.
    C) no visible minority employees.
    D) top management commitment.
    E) activities to celebrate diversity.

62) Diversity training programs:
    A) try to educate employees about specific cultural differences.
    B) are designed to provide awareness of diversity issues.
    C) try to educate employees about specific gender and cultural differences and are designed to provide
        awareness of diversity issues.
    D) should not be on–going.
    E) try to educate employees about specific gender and cultural differences.

63) To ensure that no one experiences feelings of alienation, firms have established:
    A) policies.
    B) support groups.
    C) publications.
    D) diversity audits.
    E) diversity training for management.

64) Specific diversity management strategies include:
    A) diversity audits.
    B) diversity audits and a mentoring program.
    C) a mentoring program.
    D) broad based recruitment practices.
    E) a harassment policy.

65) Diversity management initiatives will not receive high priority unless:
   A) supervisors are held accountable for them.
   B) new hires are held accountable.
   C) formal assessments are completed.
   D) employees are recognized for them on performance appraisals.
   E) employees are held accountable.

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

66) Contract law governs collective agreements and individual employment contracts.

67) Under equal pay for equal work legislation, pay differences based on a valid merit or seniority system or employee productivity are permitted.

68) Job evaluation systems that undervalue jobs traditionally held by women are an example of constructive discrimination.

69) In British Columbia, Quebec and the Yukon, record of criminal conviction is a prohibited ground of discrimination.

70) Employers are expected to accommodate to the point of undue hardship.

71) Refusing to hire an individual for a security guard position on the basis that he or she is considered to be too large and heavy is an example of a bona fide occupational requirement.

72) Some jurisdictions prohibit harassment on all proscribed grounds, while others only expressly ban sexual harassment.

73) Making derogatory comments implying sexual unattractiveness can constitute sexual harassment if the person making such comments continues to do so after being asked to stop.

74) It is a criminal offence to retaliate in any way against those who exercise their rights under human rights legislation.

75) Although women make up almost one–half of the Canadian work force, they are still underrepresented on executive teams.

76) A deliberately structured process is involved when developing an employment equity program.

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

77) Differentiate between intentional and unintentional discrimination.

78) What are prohibited grounds of discrimination.

79) Explain an employer's duty to provide "reasonable accommodation." Give an example of reasonable accommodation.

80) Discuss sexual harassment and its impact on employees and the work environment. Provide examples of sexual coercion and sexual annoyance.

81) Discuss the four designated groups and differential treatment by employers during employment.

82) What steps should an employer use to design an employment equity program and ensure success?

83) Describe diversity management and what factors act as barriers to diversity management programs.

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

52) A
53) D
54) E
55) B
56) E
57) A
58) A
59) C
60) B
61) C
62) C
63) B
64) B
65) A
66) TRUE
67) TRUE
68) TRUE
69) FALSE
70) TRUE
71) FALSE
72) TRUE
73) TRUE
74) TRUE
75) TRUE
76) TRUE
77) **Intentional discrimination** involves the deliberate use of criteria such as race, religion, or other prohibited grounds when making employment decisions. It can be direct, indirect, in the form of differential treatment, or on the basis of association. Deliberate discrimination does not have to be overt (blatant).

Unintentional discrimination, also known as systemic and constructive discrimination, is difficult to detect and combat. Typically, it is embedded in policies and practices that, although appearing neutral on the surface and being implemented impartially, have adverse impact on specific groups of people for reasons that are not job related or required for the safe and efficient operation of the business.

78) Human rights legislation prohibits discrimination against all Canadians in a number of areas, including employment. These areas are known as prohibited grounds of discrimination. These grounds change across provinces and territories. However, all jurisdictions prohibit discrimination on the grounds of race, colour, religion/creed, sex, marital status, age, physical and mental disability and sexual orientation. Some but not all jurisdictions prohibit discrimination on the basis of national or ethnic origin, family status, ancestry or place of origin and various other grounds.

79) Reasonable accommodation deals with the adjustment of employment policies and practices so that no individual is denied benefits, disadvantaged in employment, or prevented from carrying out the essential components of a job on the basis of prohibited grounds of discrimination. This may involve making adjustments to meet needs based on the group to which an individual belongs, such as schedule adjustments to accommodate religious beliefs, or on an individual employee basis, such as work station redesign to enable an individual with a physical disability to perform a particular task.

Employers are expected to accommodate to the point of undue hardship, a term for which there is no definitive definition. Generally, however, to claim undue hardship, employers must present evidence that the financial cost of accommodation (even with outside sources of funding) or health and safety risks to the individual concerned or other employees would make accommodation impossible. Factors that cannot be taken into consideration include business inconvenience, customer preference, or disruption to a collective agreement.

Refusing to make every reasonable effort to accommodate employees is a violation of human rights legislation.

An example of reasonable accommodation would be installing an elevator in a government building to accommodate persons in wheelchairs.

80) Sexual harassment is defined as offensive or humiliating behaviour that is related to a person's sex as well as behaviour of a sexual nature that creates an intimidating, unwelcome, hostile or offensive work environment. Sexual harassment can be divided into two categories: **sexual coercion**, which is harassment of a sexual nature that results in some direct consequence to the worker's employment status or some gain in or loss of tangible job benefits, and **sexual annoyance**, which is sexually related conduct that is hostile, intimidating or offensive to the employee but has no direct link to tangible job benefits or loss thereof.

All types of sexual harassment can have negative impact on employees as well as the work environment. Employees will feel uncomfortable seeing such work conditions, and employee morale and productivity can be significantly impacted. Absenteeism can increase amongst staff. They will have less and less trust in management if action is not taken. The organization can run the risk of facing legal action for condoning such behaviours.

81) The four designated groups are: women, visible minorities, aboriginal people and people with disabilities. Differential treatment by employers include lower pay on average, occupational segregation, higher rates of unemployment, underemployment and concentration in low–status jobs with little potential for career growth.

For example, women are still not represented adequately in senior management positions, though they make up more than one–half of the Canadian workforce. Similarly, visible minorities also experience similar issues in terms of occupational segregation. Many immigrants are highly educated visible minorities. They are typically unable to obtain employment that makes full use of their knowledge, skills and abilities, which is called underemployment. The income of people with disabilities is much lower than that of other Canadian workers. Aboriginals are concentrated in three occupational groups: clerical, skilled crafts and trade, and semi–skilled manual work.

82) Employment equity programs are designed to achieve a balanced representation of designated group members in the organization. It is a major management exercise because existing employees must be comfortable with other from diverse backgrounds, cultures, religions, etc. The following are the key steps to follow when designing a program:

1. Obtaining senior management commitment and support–a written policy endorsed by senior management should be posted throughout the organization or distributed to all employees.

2. Data collection and analysis–this permits the organization to develop an internal work force profile.

3. Employment systems review–a comprehensive examination of existing policies, procedures, practices, etc., to determine their impact on designated group members, so that existing intentional and systemic barriers can be eliminated.

4. Plan development–setting of goals and timetable.

5. Implementation.

6. Monitoring, evaluating and revising.

83) Diversity management involves a set of activities designed to integrate all members of an organization's multicultural work force and use their diversity to enhance the firm's effectiveness.

Canada has seen continued immigration from many lands during the last four decades and managers are managing an increasingly diverse work force. Diversity in the work force can be positive if utilized and channelled properly. As research shows, diversity can enhance organizational effectiveness and culture. However, there are number of barriers that should be handled appropriately in order to reap the maximum out of diversity initiatives. It is recommended that diversity initiatives be taken slowly, since they involve complex change processes. There may be resistance from the existing workforce which will have to be overcome. Stereotyped beliefs and prejudices can surface, creating resentment.

Therefore it is important for any organization that is undertaking diversity initiatives to have top management commitment, training, inclusive representation and communication, support and mentoring programs/groups, regular audits and defined management responsibilities and accountabilities.

Chapter 3

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

1) Technology that is used to attract, hire, retain, and maintain human resources, support HR administration, and optimize HRM is called:
    A) HRIS.
    B) PeopleSoft.
    C) HR server.
    D) HR management.
    E) HR technology.

2) HR technology has:
    A) prevented employees from accessing their personnel information.
    B) not contributed to any changes in the HR department.
    C) increased the administrative burden on the HR department.
    D) reduced the administrative burden on the HR department.
    E) made is difficult to have access to information.

3) HR technology has evolved over the years. The evolution of HR technology is characterized by:
    A) 6 stages.
    B) 3 stages.
    C) 4 stages.
    D) 5 stages.
    E) none of the above.

4) Nelu is part of the HR department of a production company. The HR department was the sole custodian of all HR–related data. Therefore Nelu spends most of her time handling employee queries on personnel questions. The company has:
    A) a paper–based system.
    B) a counseling procedure.
    C) advanced HR technology.
    D) one–on–one coaching.
    E) PeopleSoft.

5) During the evolution of HR technology, there was a migration of the information resident in the paper–based system to PCs and local area network systems. These HR databases were able to produce reports that simply listed what is knows as:
    A) personnel information.
    B) tombstone data.
    C) personnel data.
    D) tombstone information.
    E) employee data.

6) Company High Tech has three branches across Canada and the US. Both locations are managed by one HR department. All employee data is fed in from each of the locations and updates a central database, which can be accessed by each of the locations in return. The HR database is also linked to their performance management system, payroll/benefits and attendance tracking system. This is an example of:
    A) a relational database.
    B) an interactive database.
    C) a paper–based system.
    D) video conferencing.
    E) none of the above.

7) A telephone technology in which a touch–tone phone is used to interact with a database to acquire information from it or enter data into it is called a(n):
   A) client server.
   B) interactive database.
   C) web–based application.
   D) interactive voice response.
   E) relational database.

8) In company Smith & Cole, employees can access the applications from any computer with a connection to the internet. Each person has a password–protected login page. The company has a:
   A) web–based application.
   B) relational database.
   C) interactive database.
   D) interactive voice response.
   E) all of the above.

9) Deploying highly developed HR technology to manage HR functions will enable members of an HR department to:
   A) relinquish the role of the "sole custodian" of employee information.
   B) focus on transforming information to knowledge.
   C) delegate to managers and employees the ability to use HR information to solve their problems.
   D) increase their efficiency.
   E) all of the above.

10) An integrated system that is used to gather, store and analyze information regarding an organization's human resource is known as:
   A) a relational database.
   B) an interactive database.
   C) a web database.
   D) HRIS.
   E) HR technology.

11) Today there are more than 140 HRI systems being offered by Canadian vendors. Having a human resource information system can help the HR department because:
   A) it can reduce administration and record keeping for HR.
   B) it can reduce the time spent coaching line staff.
   C) it can act as an internal consultant to line managers.
   D) it can substitute for HR professionals in the decision–making process.
   E) none of the above.

12) HRIS has several components called subsystems. Which of the following is a subsystem of HR?
   A) performance evaluation.
   B) labour relations.
   C) time and attendance.
   D) pension administration.
   E) all of the above.

13) Learning Inc. has an HRIS which has a subsystem that includes data on employee skills and competencies, development activities and career planning in terms of which positions might be most appropriate for an employee based on skills/competencies. Which type of subsystem does Learning Inc. have?
   A) employee administration

B) organizational management

C) performance evaluation

D) employment equity

E) training and development

14) Sheila is an HR generalist of a newly formed organization. It has 50 employees and is expected to grow up to about 100 during the upcoming year. The company is thinking of purchasing an HR system. As the HR specialist, Sheila's recommendation will be to:

A) not purchase an HRIS.

B) purchase employment equity and health and safety subsystems.

C) purchase employee administration and time/attendance subsystems.

D) use a paper–based system since the employee base is small.

E) purchase a comprehensive HRIS with all subsystems.

15) The HRIS is made up of a number of systems that can store data. This data can be used to create information that will serve different purposes for many different stakeholders. One of the key functions of an HRIS is to:

A) define organizational climate.

B) provide information to managers.

C) provide information to HR and managers.

D) discipline employees.

E) provide information to HR.

16) HR professionals and managers utilize information from the recruitment, training and development, and administration subsystems to develop long–term plans for staffing. This is an example of which of the following benefits of an HRIS?

A) talent and knowledge management

B) maintenance of employee records

C) HR planning and forecasting

D) compliance

E) strategic alignment

17) The primary central storage repository for all data collected by an organization's business systems is known as:

A) a data warehouse.

B) a data repository.

C) HRIS.

D) employee records.

E) a subsystem.

18) Having an HRIS enables managers to make a more informed decision. It also provides information that is relevant, useful, timely and accurate. Reports are generated to facilitate this process. One of the most commonly requested reports from an HRIS includes:

A) compensation reports.

B) number of vacation days taken.

C) basic information such as name and address.

D) performance evaluations.

E) all of the above.

19) The use of HRIS data to assess the performance of an organization's workforce using statistics and research design techniques is referred to as:

A) workforce analytics.

B) data warehousing.

C) workforce calculations.
D) workforce data.
E) tombstone data.

20) Compliance is a subsystem of the HRIS mainly used by:
   A) HR only.
   B) employees and managers.
   C) HR and managers.
   D) HR, managers and employees.
   E) HR and employees.

21) Talent Management is a subsystem of the HRIS mainly used by:
   A) HR and managers.
   B) HR, managers and employees.
   C) employees and managers.
   D) HR and employees.
   E) HR only.

22) Targus Inc. is a sports equipment retailer with 500 employees that has just implemented a HRIS. One would expect the decision making subsystem of the HRIS to be mainly used by:
   A) HR and managers.
   B) HR and employees.
   C) HR only.
   D) employees and managers.
   E) HR, managers and employees.

23) Selecting and implementing an HRIS can be time consuming as well as costly. Before an organization decides to purchase a system, it is important to ask which of the following questions?
   A) What do the competitors do?
   B) Does the employee base have the required IT skills?
   C) Is the organization ready for an HRIS?
   D) What type of system does the organization need?
   E) What do the employees expect of an HRIS?

24) A system that supports enterprise–wide or cross–functional requirements, rather than a single department or group within the organization, is known as a(n):
   A) enterprise–wide system.
   B) intranet.
   C) electronic HR.
   D) relational database.
   E) HRIS.

25) Talent Management is a subsystem of the HRIS mainly used by:
   A) employees and managers.
   B) HR, managers and employees.
   C) HR only.
   D) HR and employees.
   E) HR and managers.

26) A decision to purchase an HRIS can vary from one organization to another based on their existing technology, ability to afford technology and the size and culture of the company. However, there is some common ground that all companies can agree on for adopting HR technology. Those reasons are:

A) cost savings only.
 B) helping the organization to achieve goals only.
 C) faster processing of information only.
 D) cost savings and faster processing of information.
 E) faster processing of information, cost savings, and helping the organization to achieve goals.

27) Typically organizations follow a process to select an HRIS. Which of the following states the three phases accurately and in proper order?
 A) needs analysis, adoption and implementation
 B) adoption, implementation and institutionalization
 C) adoption, institutionalization and follow–up
 D) needs analysis, implementation and institutionalization
 E) adoption, implementation and follow–up

28) A company in the banking industry has decided to purchase an HRIS and wants to choose a system. The organization is conducting a review of company background, management and HR considerations, and technical considerations. The company is in the _____ of the selection process.
 A) adoption phase
 B) implementation phase
 C) selection phase
 D) institutionalization phase
 E) none of the above

29) What are some of the areas factored in to pricing during the adoption phase?
 A) additional staffing needs
 B) ongoing support requirements
 C) training costs
 D) additional hardware requirements
 E) all of the above

30) A company has concluded its adoption phase and has sent a request to vendors to schedule demonstrations of the various systems available. The company will ultimately choose one that most closely aligns with their needs analysis, budget and management requirements. This is known as:
 A) request for information.
 B) request for proposal.
 C) the adoption phase.
 D) selecting a proposal.
 E) the implementation phase.

31) Gavin Chen is the VP of HR in Motion.com. It has recently concluded its adoption phase and entered the implementation phase of an HRIS. Gavin is faced with the task of putting together a project team for the implementation phase. He should include the following:
 A) outside consultants who have technical skills.
 B) a senior project manager to lead the team.
 C) outside consultants who have technical and change management skills and subject matter experts from HR and payroll.
 D) outside consultants who have change management and legal compliance skills and subject matter experts from HR and payroll.
 E) subject matter experts from HR and payroll.

32) Which of the following phases involve activities such as getting the system running in a controlled environment, conversion of existing data into the new system, and establishing security profiles?

A) follow up phase.
B) adoption phase.
C) implementation phase.
D) institutionalization phase.
E) needs analysis phase.

33) You are the Director HR at an accounting firm and as such are responsible for overseeing implementation of the HRIS. To address privacy and security risks what should you have the security profile of the HRIS determine?
A) Who can enter information.
B) Who can view information.
C) Who has access to the system and who can view the information.
D) No security profile is necessary.
E) Who can enter, view, and change information and who can access the system.

34) All staff of a company that has purchased an HRIS is undergoing systems training. Which phase is the company in?
A) adoption phase
B) training phase
C) institutionalization phase
D) implementation phase
E) none of the above

35) A form of technology that enables HR professionals to integrate an organization's HR strategies, processes, and human capital to improve overall HR service delivery is known as:
A) HR technology.
B) stand-alone HR.
C) an HRIS.
D) enterprise-wide HR.
E) electronic HR.

36) A network that is interconnected within an organization, using web technologies for sharing information internally, is called:
A) the internet.   B) an HRIS.   C) a portal.   D) an intranet.   E) a subsystem.

37) The internet has enabled organizations to do which of the following?
A) reduce the number of HR staff for increased effectiveness
B) harness web-based technology and applications to assist strategy development
C) assist the adoption and implementation stages of an HRIS
D) harness web-based technology and applications to enhance HR services
E) outsource HR functions to HR technology companies

38) Web-based HR applications have enabled companies to shift responsibility for viewing and updating records onto employees, thus changing the manner in which employees acquire information and relate to their departments. Two of the most popular web-based HR applications are:
A) HRIS and employee self-service.
B) employee and management self-service.
C) HR and management self-service.
D) HR and employee self-service.
E) HRIS and management self-service.

39) A single site that can be accessed within an existing internet site is called:

A) a portal.
B) a web site.
C) an intranet.
D) e–HR.
E) none of the above.

40) Some of the common employee self–service (ESS) applications include allowing employees to:
   A) update HR and related policies.
   B) update the information of other employees.
   C) make changes to payroll information for themselves.
   D) change salary deductions.
   E) update their own personal information.

41) Employee self–service (ESS) systems have fundamentally changed the way employees relate to their HR departments because:
   A) they are able to access information relevant to themselves.
   B) HR no longer provides related services.
   C) line managers and employees have taken over HR.
   D) ESS has made HR redundant in the organization.
   E) they need to visit HR regularly for personnel information.

42) Which of the systems allow managers to access a range of information not only about themselves but also about the employees who report to them?
   A) HRIS   B) MIS   C) the internet   D) MSS   E) ESS

43) Recent surveys of ESS and MSS systems users indicate that, though 80% of respondents agree that web–based self–service systems can lower HR operational costs, only 40% believe that their company is actually achieving this result. This discrepancy may be due to:
   A) technology not being user–friendly.
   B) frequent systems malfunctions.
   C) lack of motivation to use such systems.
   D) systems not providing adequate features.
   E) systems requiring frequent updates from vendors.

44) The management of human capital is critical to be able to attract, retain and develop talent within an organization. The use of e–HR systems including web–based job sites, portals and kiosks to attract job applicants is becoming a necessity. Two technologies that have made e–recruiting a reality are:
   A) internet and job boards.
   B) HRIS and job boards.
   C) internet job boards and applications.
   D) ESS and MSS.
   E) internet only.

45) Targus Inc. is a mid–size sports clothing retailer in Canada. Components of an HRIS system that are likely to be cost effective and efficient for it include:
   A) systems which allow for many users such as People Track inc. and Organization Plus.
   B) an enterprise–wide system which has many HR Modules.
   C) generic software applications only like Microsoft Excel.
   D) payroll and benefits administration only.
   E) employee scheduling only.

46) An enterprise–wide system is defined as a system that supports enterprise–wide or cross–functional

requirem rather than a single department or group within the organization. One of the well–recognized
ents   enterprise–wide systems is:
   A) People Track.
   B) Taleo.
   C) SAP.
   D) Deploy.
   E) none of the above.

47) HRIS can be stand–alone because not all organizations require sophisticated systems, and there are many different vendors who offer different sizes and types of products. This is because:
   A) organizations have to consider the cost aspect.
   B) organizations prefer to use paper–based systems.
   C) most sophisticated systems are not user–friendly.
   D) HR departments don't support the use of such systems.
   E) not all systems provide all features.

48) Software can be purchased for any HR–related function in any industry. The software that has been developed to create succession–planning matrices, establish career paths, and create candidate placement scenarios is known as:
   A) SAP.
   B) Peoplesoft.
   C) Ergowatch.
   D) Halogen.
   E) ExecuTRACK software.

49) The following software, which was initially developed to assess and reduce the risk of back injuries, is now modified to evaluate the risk of repetitive stress injuries to workers' hands and arms:
   A) Halogen.   B) Org Plus.   C) SAP.   D) Deploy.   E) Ergowatch.

50) The impact of technology has fundamentally changed the role of HR. It has enabled HR to:
   A) increase its involvement in transactional services.
   B) decrease its involvement in transactional activities.
   C) decrease the time spent with employees and line staff.
   D) decrease focus on the customer.
   E) increase time spent on administrative tasks.

51) Wayne Brockbank and David Ulrich of the University of Michigan Business School have identified five key competencies for HR. This new competency model has emerged because:
   A) the businesses have demanded that HR have a new competency model.
   B) technology has fundamentally changed the role of HR.
   C) HR has decided to play a key role in transactional activities.
   D) HR is moving towards outsourcing of services.
   E) line managers and employees no longer see HR to be credible.

52) What are the five key competencies in the HR model introduced by David Ulrich?
   A) mastery of technology, strategic contribution, HR delivery, personal credibility, business knowledge
   B) mastery of technology, strategic contribution, HR knowledge, business knowledge, integrity
   C) strategic contribution, HR delivery, business knowledge, personal credibility, HR knowledge
   D) strategic contribution, HR mastery, HR delivery, mastery of technology, personal credibility
   E) mastery of technology, transactional contribution, customer service, credibility, HR knowledge

53) An HR professional who is trying to develop understanding of key drivers of organizational productivity,

and to aware of costs associated with enhancing the efficiency and effectiveness of the workforce, is fulfilling which become of the competencies described in the Ulrich model?
  A) HR delivery
  B) mastery of technology
  C) business knowledge
  D) strategic contribution
  E) none of the above

54) An HR professional who engages in environmental scanning together with line managers to develop business goals for an organization is fulfilling which of the competencies described in the Ulrich model?
  A) HR delivery
  B) business knowledge
  C) mastery of technology
  D) strategic contribution
  E) all of the above

55) HR needs to work closely with IT in the IT–enabled organization. In order to do this, HR must gain credibility with IT staff and work well with them. This knowledge can be acquired through:
  A) formal IT courses.
  B) trade shows.
  C) meeting with software vendors.
  D) reading about technological trends
  E) all of the above.

56) The following is a major trend in technology that will influence HR management:
  A) enhanced focus on work force analytics.
  B) increased focus on reducing costs.
  C) increased use of portals.
  D) greater access to technology.
  E) all of the above.

57) The subcontracting of work that is not considered part of a company's core business is called:
  A) RFPs.
  B) HRIS.
  C) ESS and MSS.
  D) outsourcing.
  E) outplacement.

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

58) Though research has indicated that those who use technology to manage HR functions will have a significant advantage over those that do not, some companies do not use such technology due to cost.

59) HR began to integrate with other business–related systems with the move towards enterprise–wide systems.

60) Recruitment is a subsystem in an HRIS which enables an organization to provide online forms to applicants so that applicants can be tracked and resumes can be scanned for key words to identify skills and experience.

61) Managers often utilize the HRIS to request reports such as performance evaluations. Managers also utilize the system to perform HR calculations, an example of which is turnover costs.

62) Investigating management considerations for purchasing an HRIS is carried out during the RFP stage of the selection process.

63) Creation of security profiles for the HRIS is carried out in the implementation phase and is required because of privacy– and security–related issues.

64) Managers are receptive to MSS systems because such systems contribute to data integrity and accuracy.

65) SAP, PeopleSoft and Oracle are enterprise–wide systems because they support enterprise–wide or cross–functional requirements rather than a single department.

66) Access to a large number of qualified candidates is a disadvantage of e–recruiting.

67) Outsourcing of HR–related services has grown over the past decade because it is associated with cost reductions, and because it increases the ability of HR to focus on transactional objectives.

68) The HR function, with its newly developed strategic focus, is expected to demonstrate a measurable impact on business results.

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

69) Describe the stages in the evolution of HR technology.

70) What is an HRIS? Describe some of its subsystems and key functions.

71) Describe how the role of HR has evolved in an IT–enabled organization.

72) What are the advantages and disadvantages of web–based self–service applications?

73) What are the five key competencies for HR as outlined by the Ulrich model?

74) What are the key challenges faced by an organization during the selection and implementation phase of an HRIS?

75) You are the Director of HR at Targus Inc., a Canadian sportswear retailer with 1000 employees. Discuss reasons why you would choose to implement a stand–alone system rather than an enterprise–wide system.

76) Identify and describe five key technology trends.

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

52) A
53) C
54) D
55) E
56) E
57) D
58) TRUE
59) FALSE
60) TRUE
61) TRUE
62) FALSE
63) TRUE
64) TRUE
65) TRUE
66) FALSE
67) FALSE
68) TRUE
69) There are four stages in the evolution of HR technology: paper–based systems, early personal computer technology, electronic databases and web–based technology.

Stage 1–Paper–based systems

These systems operated independently from other business–related functions. Data was typically stored on mainframe computers and HR was the sole custodian of the data. It was common for managers to send employees to HR to get their "personnel" questions answered.

Stage 2–Early personal computer technology

In this stage data migrated to PCs and local area network systems. These databases were able to produce reports that listed basic employee information. HR continued to be the only group who had access to the system and continued to be the owner of the data.

Stage 3–Electronic database systems

Relational database technology emerged in this stage, which meant that pieces of data could be stored in more than one file, and they could be connected. With this, HR started to get integrated with other business–related systems.

Stage 4–Web–based technology

The focus has shifted to automating as many transactions as possible to achieve effectiveness and efficiencies. Web–based applications use a web browser as a user interface. Users can access the applications from any computer connected to the internet via a secure, password–protected login page. HR still continues to be the owner and custodian of HR information but others have begun to recognize the value of this information to the business.

70) A Human Resources Information System (HRIS) is an integrated system used to gather, store and analyze information regarding an organization's human resources. There are several components, called subsystems that make up an HRIS. They are **employee administration**, recruitment, **time and attendance**, **training and development**, pension administration, employment equity, performance evaluation, **compensation and benefits administration**, organizational management, health and safety, labour relations and payroll. The highlighted subsystems will be discussed.

Employee administration–You would find information such as name, hire date, address, telephone, e mail address, birth date, sex, position titles, and employment status.

Time and attendance–Included is information necessary to calculate vacation time, such as hire date and any leaves of absences.

Training and development–Includes data on an employee's skills and competencies, training courses taken, costs of courses, developmental activities and career–planning activities.

Compensation and benefits administration–Information regarding the company's compensation and benefits plans and the policies regarding these plans.

71) The impact of technology has fundamentally changed the role of HR in the organization. It has enabled HR to decrease its involvement in transactional activities, increase its focus on the customer and increase its delivery of strategic services.

Self-service such as	ESS and MSS have reduced the administrative burden on HR, since the users can have direct access to HR–related information. HRIS subsystems have reduced the amount of paperwork and coordination that was previously required of HR. Therefore, HR has more time to spend working with its customers (i.e. internal staff, management and other departments) in understanding their needs and providing appropriate solutions. This has also allowed HR to work with senior management developing and implementing organizational strategy.

72) Web–based self-service applications include employee self-service systems and management self-service systems. Employee self-service systems allow employees to update their personal information, such as address, phone number, emergency contact, etc. It also enables employees to view their individual payroll information, enroll for benefits programs, and access HR policies and company communications material such as newsletters. Therefore employees no longer need to speak to HR for routine updates. Management self-service allows managers to access a range of information not only about themselves but also about the employees who report to them.

These systems have helped the HR to reduce operational costs because basic administrative and transactional activities have been shifted to employees. This has enabled HR to focus more on strategic issues. Because it is an automated service, service levels are enhanced, which has led to increased employee satisfaction.

Employees and managers can tend to view this new technology as the "work of HR" and therefore resist the usage of it. The usefulness of such technology also depends on whether the content is considered beneficial and relevant to those who are using it. In addition, factors such as how technology-savvy the users are, user friendliness of the systems and its culture fit within the organization contribute to the successful implementation and usage of the system.

73) The five key competencies are:

1. Mastery of HR technology.
2. Strategic contribution.
3. Business knowledge.
4. Personal credibility.
5. HR delivery.

74) The first challenge for the organization would be to determine (1) how much customization it requires and (2) what type of system the organization prefers and needs. Based on this, a company can decide to purchase a system that brings in "best practices," or to customize the software to fit the existing processes. The organization on the other hand may want a stand-alone system or an enterprise-wide system. Factors such as company size, projected growth, industry, existing technology, and pricing would be critical areas for consideration. For example, a small company may not require a comprehensive HRIS. It would be too costly to maintain such a system and therefore would not be cost effective. Also, if the existing technology of the company does not support a large system, it may be wise to consider a basic package with the option of adding components as the company grows and as the technology becomes more advanced.

In the implementation stage the challenge would be to select a suitable project team to move the project forward. The project team needs to have a balanced composition in terms of representation from within the company, HR, and outside consultants. It also requires running the system in a controlled environment before the actual launch. Existing data needs to be converted into the new system and any glitches should be identified as much as possible during the testing period.

75) An HRIS can be a stand-along system, because not all organizations require sophisticated enterprise-wide systems such as SAP or Oracle. The reasons that would drive an organization to decide on a stand-alone system would be cost, number of employees, the degree of efficiency and the company's existing hardware and software.

An effective HRIS requires a balance between what it can do from a technical perspective and how it can meet the needs of that organization. These needs usually tend to increase as the size of the company grows. Smaller firms typically use very basic software applications such as MS Excel. In addition, smaller firms are not able to bear the large costs associated with implementing an enterprise-wide system, nor would this be cost effective, since smaller firms would require payroll and benefits administration, time/attendance and employee scheduling functions right from the start. As the size of the company grows, the data integration requirement grows and, with it, the need to have better backup and recovery capability. Therefore larger organizations will want to invest in enterprise-wide systems.

76) 1. **Enhanced focus on workforce analytics**–This focus will require HR to evolve as a 'decision science', providing managers with value–added decision making tools

2. **Increased use of portals and intranets and a greater focus on the use of virtual tools**–HR will be required to ensure that the organization is aware of the advantages of these tools and providing training and education to ease the transition.

3. **Greater access to technology**–This will require HR to ensure that the appropriate security measures are in place and to be highly diligent in terms of the types of access and who gets access.

4. **Continued optimization of current systems**–Requires HR to be "technologically educated."

5. **Increased focus on reducing costs**–HR will be required to optimize the functionality of HR technology.

Other key trends mentioned in the textbook include **increased use of standards for data exchange and processes**, **contingency planning**, and **heightened awareness of HR data privacy**.

Chapter 4

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

1) The definition of _____ is the formal relationships among jobs in an organization.
   A) organizational structure
   B) organizational design
   C) organization chart
   D) chain–of–command
   E) job hierarchy

2) An organization chart is often used to depict the structure of an organization. The chart is also used to:
   A) clarify the chain of command and show who is accountable to whom.
   B) indicate the types of departments established in the firm.
   C) present a "snapshot" of the firm at a particular point in time.
   D) specify duties and responsibilities.
   E) There are no exceptions listed above.

3) Which of the following statements about organizational structures is true?
   A) Boundaryless organizations are good for top–down management style.
   B) Bureaucratic designs are becoming more common.
   C) Flat structures are increasingly the norm.
   D) Emphasis on teams whose members cross organizational boundaries is a characteristic of flat structures.
   E) There are four types of organizational structure.

4) Maria is the Vice President of Operations for a company in the retail industry. She has 10 store managers and 200 associates. The associates report to the store managers and they in turn report to Maria. Management has a decentralized approach towards individual stores. This company has the structure of a:
   A) decentralized organization.
   B) bureaucratic organization.
   C) hierarchical organization.
   D) flat organization.
   E) boundaryless organization.

5) James Martini is the Director of HR for Study Inc. He is working on a project to restructure the organization. At the moment, the organization has a top–down management approach with many levels of management. Jobs are highly specified with a narrow focus. It wants to move into a more decentralized management approach with a high focus on teams and customer service. The organization is planning to move from a _____ organization to a _____ organization.
   A) bureaucratic, flat
   B) flat, bureaucratic
   C) bureaucratic, boundaryless
   D) boundaryless, flat
   E) none of the above

6) The process of systematically organizing work into tasks is involved in:
   A) job design.
   B) writing job descriptions.
   C) job analysis.
   D) job evaluation.
   E) organizational design.

7) The collection of tasks and responsibilities performed by one person is known as:
   A) a job.
   B) a job analysis.
   C) a job description.
   D) a job specification.
   E) a position.

8) In an office with one supervisor, one assistant, two clerks, and two data–entry operators, there are:
   A) six jobs and six positions.
   B) four jobs and four positions.
   C) four positions and six jobs.
   D) four positions and four jobs.
   E) four jobs and six positions.

9) Work simplification is an approach to job design. Which of the following statement is true of work simplification?
   A) It can be used to motivate highly educated employees.
   B) It may be very appropriate in settings employing highly educated persons.
   C) It can sometimes lead to a reduced demand for premium pay.
   D) It is based on the premise that work can be broken down into clearly defined tasks.
   E) It is effective in a changing environment.

10) The field of study concerned with analyzing work methods and establishing time standards is known as:
   A) job analysis.
   B) job design.
   C) job evaluation.
   D) ergonomics.
   E) industrial engineering.

11) Making jobs more rewarding or satisfying by adding more meaningful tasks is primarily associated with:
   A) job enlargement.
   B) job rotation.
   C) co–determination.
   D) job enrichment.
   E) industrial democracy.

12) Job enlargement involves:
   A) horizontal loading.
   B) vertical loading.
   C) systematically moving employees from one job to another.
   D) multi–skilling.
   E) increased challenge.

13) Amal works for a production line. His task is to sew a button to the button hole of winter jackets. Since last month he was also given the task of creating the button hole in addition to attaching the button to the hole of the jacket. This is known as:
   A) skill variety.
   B) job enlargement.
   C) vertical loading.
   D) job enrichment.
   E) job rotation.

14) Lee has been with a financial institution for over a year now as a call centre specialist. During his time he has had the opportunity to work in two other departments. The organization adopts a similar technique with other employees in the call centre. This is known as:
    A) job enrichment.
    B) skill variety.
    C) job enlargement.
    D) vertical loading.
    E) job rotation.

15) Which of the following is true of work simplification?
    A) It increases autonomy.
    B) Among educated workers it often leads to lower job satisfaction.
    C) It often leads to lower job satisfaction.
    D) It enhances skill variety.
    E) Among educated workers it often leads to lower job satisfaction and a demand for premium pay.

16) Which of the following is true of industrial engineering?
    A) It is about control and autonomy.
    B) It is a field of study focused on worker autonomy.
    C) It is a field of study concerned with analyzing work methods.
    D) It is a field of study focused on satisfying psychological needs.
    E) It is a field of study emerging with scientific management which is concerned with analyzing work methods and making them more efficient.

17) Which of the following statements is true?
    A) Managers tend to be very supportive of job enrichment because it makes their jobs easier.
    B) Unions are generally very supportive of job enrichment.
    C) Job redesign efforts can correct almost all job dissatisfaction problems.
    D) Job enrichment programs are more successful in some jobs and settings than others.
    E) Most employees today want additional responsibilities.

18) Seeking to integrate and accommodate the physical needs of workers into the design of jobs is known as:
    A) ergonomics.
    B) scientific management.
    C) industrial engineering.
    D) job enrichment.
    E) job enlargement.

19) Ergonomics aims to adapt the entire job system to match human characteristics. Doing so results in eliminating/minimizing:
    A) worker injuries.
    B) negative psychological effects.
    C) product defects.
    D) product defects, worker injuries, and negative psychological effects.
    E) product defects, worker injuries, and task variability.

20) The procedure for determining the tasks, duties, and responsibilities of a job and the human attributes required to perform it is known as:
    A) job evaluation.
    B) job design.
    C) job analysis.
    D) preparing a job description.

E) writing a job specification.

21) Job analysis provides data on job requirements that can be used to develop:
   A) HR policies and procedures.
   B) a skills inventory.
   C) a job description.
   D) an organization chart.
   E) a staffing table.

22) A list of a job's duties, responsibilities, reporting relationships, and working conditions is known as:
   A) a position analysis.
   B) a job specification.
   C) a job description.
   D) the job standards.
   E) a job analysis questionnaire.

23) A list of the knowledge, skills and abilities needed to perform a particular job is known as:
   A) the job standards.
   B) a job description.
   C) the human requirements.
   D) a position analysis.
   E) a job specification.

24) Collecting job analysis data in a larger organization usually involves:
   A) the work of the supervisor alone.
   B) a joint effort by a HR specialist, the incumbent, and the supervisor.
   C) a labour union.
   D) HR generalists who are not consultants.
   E) the work of the HR specialist alone.

25) The final step in job analysis involves the following:
   A) reviewing the information collected with job incumbents.
   B) developing a job description and a job specification.
   C) developing a compensation policy.
   D) performance management.
   E) collecting data on job activities.

26) By comparing the knowledge, skills and abilities that employees bring to the job with those that are identified through job analysis, managers can determine the gap that exists. This is particularly useful for:
   A) training and development.
   B) designing the job.
   C) union negotiations.
   D) establishing recruitment criteria.
   E) determining a job's pay range.

27) The first step in the job analysis process is:
   A) designing a job analysis questionnaire.
   B) reviewing relevant background information about positions and jobs.
   C) developing a job description and job specification.
   D) identifying the use to which the information will be put.
   E) selecting the representative jobs and positions to be analyzed.

28) The HR department of a company is engaged in conducting a job analysis. A number of the HR representatives are collecting data on job activities, required employee behaviours, work conditions and human traits and abilities needed to perform the jobs. Which step of the job analysis process is the company in?

    A) step 3   B) step 4   C) step 1   D) step 2   E) step 5

29) The blueprint that shows how the flow of inputs to outputs for the job under study is known as:
    A) a job description.
    B) a pay grade.
    C) a job specification.
    D) a process chart.
    E) an organization chart.

30) During a job analysis process it is important to consider the following:
    A) reviewing information with job holders and immediate supervisors.
    B) reviewing the organization chart, process charts and existing job descriptions.
    C) selecting representative positions and jobs to be analyzed.
    D) collecting data on identified jobs using job analysis techniques.
    E) all of the above.

31) Job analysis information should be verified by:
    A) jobholder(s).
    B) a comparison with the procedures manual.
    C) a comparison with the previous job description.
    D) speaking to co-workers.
    E) HR department staff members.

32) Collecting job analysis information generally involves:
    A) peer groups.
    B) a member from senior management.
    C) a union representative.
    D) an external consultant.
    E) the jobholder's immediate supervisor.

33) The most widely used method for determining the duties and responsibilities of a job is:
    A) direct observation.
    B) a position analysis questionnaire.
    C) an interview.
    D) a participant diary/log.
    E) a survey questionnaire.

34) An HR department engaged in a job analysis exercise is conducting interviews with employees who hold the same job. Which type of interview is the HR department using?
    A) checklist interview
    B) group interview
    C) supervisory interview
    D) structured interview
    E) individual interview

35) Which of the following should be addressed in a job analysis questionnaire?
    A) individual competencies
    B) skill variety

C) job rotation

D) the general purpose of the job

E) job enrichment

36) The job analyst and supervisor should work together to:

A) identify the employees who know the most about the job and are likely to be objective.

B) identify the top–performing employee, since he or she should be involved.

C) prepare the job analysis questionnaire.

D) answer the questionnaire.

E) analyze the data collected from job analysis techniques.

37) A typical job analysis questionnaire has several:

A) questions about the incumbent's educational background.

B) open–ended questions.

C) non–job–related questions.

D) questions regarding biographical data.

E) closed–ended questions.

38) Which of the following jobs could be analyzed effectively using direct observation?

A) human resources manager

B) design engineer

C) lawyer

D) accounting clerk

E) Any of the above jobs could be analyzed using direct observation.

39) Direct observation is often combined with which other job analysis method?

A) participant diary/log

B) position analysis questionnaire

C) interviewing

D) questionnaires

E) functional job analysis

40) The problem of exaggeration of some activities and underplaying of others is minimized by the detailed, chronological nature of:

A) a position analysis questionnaire.

B) a participant diary/log.

C) functional job analysis.

D) an individual interview.

E) a survey questionnaire.

41) Which job analysis technique is meaningless for jobs requiring mental effort?

A) a survey questionnaire

B) a position analysis questionnaire

C) an individual interview

D) direct observation

E) a participant diary/log

42) You are the Director of Human Resources at a software development firm. With respect to the position of software developer the disadvantage of using the questionnaire method of job analysis is:

A) the fact that it is more costly than interviewing hundreds of workers.

B) the time and expense involved in development and testing.

C) the fact that it is labour–intensive.

D) the length of time involved.

E) the amount of double–checking required.

43) The following data collection method of job analysis can be used structured, unstructured or in combination. When structured, questions are read to job holders and supervisors and/or fixed response choices are provided. When unstructured, questions are posed to job holders and supervisors and/or general response choices are provided. This is called the:

A) group interview method.

B) individual interview method.

C) diary/log method.

D) observation method.

E) questionnaire method.

44) You are the Director of Human Resources at a software development firm. With respect to the position of software developer the disadvantage of using the group interview job analysis method is:

A) reliability/validity tends to be high.

B) highly detailed information can be collected over the entire job cycle.

C) it focuses more on reality than on perceptions.

D) it is a good method when the survey sample is widely scattered.

E) it is relatively inexpensive.

45) The job analysis technique that involves 194 items, each of which represents a basic element that may or may not play an important role in the job, is known as:

A) a position analysis questionnaire (PAQ).

B) functional job analysis.

C) a structured survey.

D) the point factor method.

E) a participant diary/log.

46) A qualitative approach to job analysis is more suitable when:

A) the aim is to reduce the amount of data collection.

B) the aim is to assign a value to each job for comparisons for pay purposes.

C) the organization is using external consultants for job analysis purposes.

D) the organization exceeds 200 in staff strength.

E) the organization has limited time and financial resources.

47) The PAQ rates jobs on the following dimension:

A) processing information and incumbent performance.

B) mental processes and job context.

C) job context.

D) safety risks.

E) incumbent performance.

48) The job analysis method that rates each job in terms of the incumbent's responsibilities pertaining to data, people, and things is known as:

A) a structured survey.

B) a participant diary/log.

C) direct observation.

D) functional job analysis.

E) PAQ.

49) An individual preparing a job description for the first time would find it helpful to refer to the:

A) *HRDC Job Classification Dictionary.*
B) *Canadian Classification and Dictionary of Occupations.*
C) *National Occupational Classification.*
D) *Standard Occupational Classification.*
E) *Dictionary of Occupational Titles.*

50) A written statement of what the jobholder actually does, how he or she does it, and under what conditions the job is performed, is known as:
A) a job description.
B) the job standards.
C) a job analysis.
D) a job specification.
E) a job evaluation.

51) Jim was recently hired as an HR assistant. As his first project his immediate supervisor requested that he put forward a proposal to develop job descriptions for some of the key positions within the organization. What do you think Jim would have identified in the proposal as most common areas to be included in a job description?
A) company name
B) duties and responsibilities
C) summary of performance evaluations
D) work culture
E) job holder's name

52) The job identification section of a job description includes which of the following?
A) job summary
B) job title
C) performance standards
D) relationships
E) working conditions

53) The section of the job description in which the major functions or activities are briefly identified is the:
A) job summary.
B) job duties.
C) job identification.
D) working conditions.
E) relationships.

54) The subsection of the job description that describes contact with others, inside and outside the organization, is titled:
A) relationships.
B) authority.
C) job identification.
D) working conditions.
E) job summary.

55) Something that should be avoided in writing a job description is:
A) an indication of which tasks are most important.
B) a separate listing of each major duty.
C) a definition of the limits of the jobholder's authority.
D) a description of the working conditions.
E) a general statement such as "performs other duties as assigned."

56) The part of the job description in which budgetary limitations are identified is titled:
    A) working conditions.
    B) relationships.
    C) duties and responsibilities.
    D) authority.
    E) performance standards.

57) "No more than three posting errors per month occur on average." Which component of the job description would this statement belong to?
    A) job identification
    B) performance standards
    C) relationships
    D) job summary
    E) responsibilities and duties

58) Which of the following would not be included in the subsection of the job description titled "working conditions"?
    A) hazardous conditions
    B) frequency of interruptions
    C) equipment failure
    D) noise level
    E) amount of travel

59) Which of the following statements related to legal compliance is true?
    A) When assessing suitability for employment, employers can assess factors other than those related to the knowledge, skills and abilities required for the essential job duties.
    B) Indicating the percentage of time spent on each duty can help to differentiate between essential and nonessential tasks and responsibilities.
    C) Canadian employers are legally obligated to have job descriptions.
    D) If a candidate is unable to perform one or more of the essential job duties due to a physical disability, it is legally permissible for an employer to refuse to hire that individual.
    E) If a candidate is unable to work on Friday evenings due to religious beliefs, and rotating shifts are a job requirement specified in the working conditions subsection of the job description, the reasonable accommodation provisions of human rights legislation do not apply.

60) The document that results from an examination of the duties and responsibilities and answering the question, "What human traits and experience are required to do this job?" is the:
    A) position description.
    B) job description.
    C) position analysis questionnaire.
    D) job specification.
    E) job evaluation.

61) A physical demands analysis identifies:
    A) mental/emotional demands involved in the job.
    B) type and frequency of motions used.
    C) senses used and amount of mental effort involved in the job.
    D) the work environment.
    E) senses used, and the type, frequency and amount of physical effort involved in the job.

62) When writing job specifications it is important to list all bona fide occupational requirements based on job

duties   and responsibilities, because:
    A) job specifications are limited to specific jobs.
     B) organizations are required to provide reasonable accommodation.
    C) organizations are required to comply with human rights legislation.
    D) organizations are required to comply with federal employment legislation.
     E) none of the above.

63) Identifying human requirements for a job can be accomplished through:
    A) a judgmental approach.
     B) questionnaires.
    C) an interview approach.
    D) supervisor's interviews.
     E) none of the above.

64) A survey instrument designed to assist managers in identifying potential personality–related traits that may be important in a job is called a:
    A) SPSS.
     B) FAQ.
    C) PAQ.
    D) PPRF.
     E) all of the above

65) The traditional meaning of a "job" as a set of well–defined responsibilities is changing. This is because:
    A) employees are expected to adapt to changes frequently.
     B) of reduced hierarchical structures.
    C) work is becoming more team based.
    D) employees are expected to adapt to changes infrequently.
     E) all of the above.

TRUE/FALSE.   Write 'T' if the statement is true and 'F' if the statement is false.
    66) Designing an organizational structure depends on the strategic goals of the company.

    67) Taking only industrial engineering concerns into consideration in job design is sufficient, because research does not support the view that human considerations are also critical.

    68) Work simplification can increase operating efficiency in a stable environment.

    69) Job analysis is called the cornerstone of human resources management, because information gathered through job analysis forms the basis for a number of interrelated HRM activities.

    70) Job analysis is defined as the process of listing duties, responsibilities, reporting relationships and working conditions of a job.

    71) In order to overcome the disadvantages of qualitative techniques of job analysis, it is important to use a quantitative method.

    72) National Occupational Classification is a reference tool for writing job descriptions and job specifications. It classifies occupations based on two key dimensions–skill level and skill type.

    73) A job description should not include phrases such as "other duties as assigned" because it can leave open the nature of the job and can be subject to abuse.

74) If an employee is unable to perform one or more of the essential duties of the job due to a physical or mental disability, accommodation is not required.

75) Jobs have become more cognitively complex, more team based and more time pressured, which has led some organizations to focus on personal competencies and skills in job analysis, rather than specific duties and skills.

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

76) Discuss types of organizational structures. What would you recommend as an organizational structure for a company in retail business and why?

77) Job analysis is called the cornerstone of HRM. Discuss.

78) Discuss the changing nature of jobs. What factors are driving the change, and what are its implications for the future?

79) Discuss the role of industrial engineering.

80) List and describe the steps involved in job analysis.

81) Discuss the advantages and disadvantages of using the observation method versus the questionnaire method in collecting job analysis information.

82) Discuss human rights legislative requirements pertaining to job descriptions and specifications.

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

52) B
53) A
54) A
55) E
56) D
57) B
58) C
59) B
60) D
61) E
62) C
63) A
64) D
65) A
66) TRUE
67) FALSE
68) TRUE
69) TRUE
70) FALSE
71) TRUE
72) TRUE
73) TRUE
74) FALSE
75) TRUE
76) Organizational structure refers to the formal relationships among jobs in an organization. There are three types of organizational structure: bureaucratic, flat and boundaryless. Structure of an organization depends on the company's strategic goals.

Retail organizations typically have flat organizational structures. This is because the emphasis of a retail organization would be on teams and customer service. Therefore, more authority and autonomy has to be passed down to teams and line managers, which depict a decentralized management style. Since the competitive advantage of the company is based on the quality and speed of customer service, the organization requires a flat structure to make faster decisions to resolve customer–centred problems. Job are broadly defined with general job descriptions with the goals of striving for higher levels of customer service rather than specializing in particular tasks and aspects of a job.

77) Job analysis is the procedure for determining the tasks, duties and responsibilities of each job and the human attributes required to perform the job. Job analysis information is used to develop job descriptions and job specifications. In addition, it is also used for a number of interrelated HRM activities such as HR planning, recruitment and selection, training and development, career management, compensation and performance appraisals.

For example, knowing the actual requirements of jobs is essential for planning future staffing needs. Job descriptions and job specifications are used to decide what sort of person to recruit and hire. Job analysis information is used to determine the relative value of jobs in the organization and appropriate compensation levels. By comparing the knowledge, abilities and skills that employees bring to the job with those that are identified by job analysis, managers can determine the gaps that need to be addressed through training and development.

As you can see, job analysis information is used for a variety of HRM activities and can be called the cornerstone of HRM.

78) The traditional meaning of a "job" as a set of well–defined responsibilities is changing. This is a result of reduced hierarchical structure in organizations, work being done in teams, more focus on organizational goals rather than on rules, and continual change. The focus becomes defining the job at hand for the overall benefit of the organization, and employees are increasingly expected to adapt to such changes. As a result of these changes work has become more cognitively complex, more team based, more dependent on social skills and on technological skills. As a result some organizations are focusing on personal competencies and skills rather than on specific tasks

and resp onsib ilities. More firms are moving toward new organizational structures built around jobs that are broad and that may change on a daily basis. In such situations workers no longer take their cues from job descriptions or supervisor instructions but rather from signals coming from the changing demands of the job at hand.

79) Industrial engineering is concerned with analyzing work methods and establishing time standards to improve efficiency. Industrial engineers systematically identify, analyze, and time the elements of each job's work cycle and determine which, if any, elements can be modified, combined, rearranged, or eliminated to reduce the time needed to complete the cycle.

To establish time standards, industrial engineers measure and record the time required to complete each element in the work cycle, using a stopwatch or work sampling techniques, and then combine these times to determine the total. Adjustments are then made to compensate for differences in skill level, breaks, and interruptions due to such factors as machine maintenance or breakdown. The adjusted time becomes the standard time for that particular work cycle, which serves as an objective basis for evaluating and improving employee performance and determining incentive pay.

Since jobs are created primarily to enable an organization to achieve its objectives, industrial engineering cannot be ignored as a disciplined and objective approach to job design. However, too much emphasis on the concerns of industrial engineering–improving efficiency and simplifying work methods–may result in human considerations being neglected or downplayed What may be improvements in job design and efficiency from an engineering standpoint can sometimes prove to be physiologically or psychologically unsound Thus, to be effective, job design must also provide for the satisfaction of human psychological and physiological needs.

80) **Step One:** Identify the use to which the information will be put, since this will determine the types of data that should be collected and the techniques used.

Step Two: Review relevant background information, such as organization charts, process charts, and job descriptions.

Step Three: Select the representative positions and jobs to be analyzed This is necessary when there are many incumbents in a single job and when a number of similar jobs are to be analyzed, since it would be too time consuming to analyze every position and job.

Step Four: Analyze the jobs by collecting data on the job activities, required employee behaviours, working conditions, and human traits and abilities needed to perform the job.

Step Five: Review the information with the worker(s) performing the job and with the immediate supervisor. This will help to confirm that the information is factually correct and complete by providing an opportunity for review and modification, if necessary, this step can also help gain employees' acceptance of job analysis data, as well as the documents derived from this data and subsequent decisions reached.

Step Six: Develop a job description and job specification.

81) **Direct observation** is mostly useful when jobs consist mainly of observable physical activities, e.g., an assembly line worker. Third parties are used to conduct observations. This gives more credibility to the data gathered through observations, unlike using job incumbents who may have reasons for distorting information. It's more focused on reality rather than on perceptions, since observations are done while the incumbent is performing the job. However, this method is not useful if the job entails a lot of mental activity which cannot be observed. It is also not useful if the employee engages in key activities that might occur occasionally. Observation can also influence the behaviour of job incumbents.

The **questionnaire** method requests employees to fill out questionnaires to describe their job–related duties and responsibilities. Questionnaires can be structured or unstructured. In a structured questionnaire, job incumbents and supervisors are asked questions about work performed using fixed responses, whereas unstructured questionnaires request incumbents and supervisors to write essays to describe work performed. This method is relatively inexpensive and is very useful if covering large numbers of employees or if the employees are scattered. Structured questionnaires can be easily analyzed using the computer. However, developing and testing the questionnaires can be time consuming and costly. It does not allow for probing and tends to focus on perceptions of the job. Responses depend on the communication skills of the respondents.

82) **Job Descriptions:** Human rights legislation requires employers to ensure that there is no discrimination on any of the prohibited grounds in any aspect or terms and conditions of employment. To ensure that job descriptions comply with this legislation, the following points should be kept in mind:

• Job descriptions are NOT legally required, but are highly advisable.

• Essential job duties should be clearly identified in the job description. Indicating the percentage of time spent on each duty and/or listing duties in order of importance are strategies used to differentiate between essential and nonessential tasks and responsibilities.

• When assessing suitability for employment, training program enrolment, and transfers or promotions; and when appraising performance, the only criteria examined should be knowledge, skills and abilities required by the essential duties of the job.

• Even when an employee cannot perform one or more of the essential duties due to reasons related to a prohibited ground, such as physical disability or religion, reasonable accommodation to the point of undue hardship is required.

Job Specifications: To comply with human rights legislation, a few key points should be kept in mind:

• All listed qualifications must be justifiable, based on the current job duties and responsibilities.

• Unjustifiably high educational and/or lengthy experience requirements can lead to systemic discrimination. For that reason, many employers are no longer indicating that a degree or diploma is mandatory; rather, they specify that the position calls for a university degree in a specific area, a college diploma in that area, or an equivalent combination of education and work experience.

• The qualifications of the current incumbent should not be confused with the minimum requirements, since he or she might be under– or overqualified.

• Identifying the human requirements using a statistical approach is more legally defensible than using a judgmental approach.

Chapter 5

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

1) The process of reviewing human resources requirements to ensure that the organization has the required number of employees, with the necessary skills to meet its goals, is known as:
    A) human resources planning.
    B) recruitment.
    C) strategic planning.
    D) training and development.
    E) selection.

2) Each of the following statements about HRP is true EXCEPT:
    A) it is also known as employment planning.
    B) a critical HRP issue is what to do when the labour supply exceeds the anticipated demand.
    C) it is a reactive process.
    D) it can lead to significant costs if done poorly.
    E) a fundamental HRP decision when demand exceeds supply is whether projected positions will be filled externally or internally.

3) A potential solution when labour demand exceeds labour supply is:
    A) work sharing.
    B) hiring temporary workers.
    C) job sharing.
    D) finding employees alternative jobs within the organization.
    E) any of the above

4) Potential solutions when labour supply exceeds labour demand include all of the following EXCEPT:
    A) employee layoffs.
    B) subcontracting.
    C) instituting a hiring freeze.
    D) downsizing through attrition.
    E) termination of employment.

5) Effective HRP helps an organization to do all of the following EXCEPT:
    A) anticipate and avoid shortages and surpluses of human resources.
    B) make major labour market demands more successfully.
    C) plan and coordinate recruitment, selection, training, and career planning more effectively.
    D) comply with privacy laws.
    E) achieve its goals and objectives.

6) When labour demand equals labour supply:
    A) occupational health and safety is critical in achieving balance.
    B) compensation and benefits are most important.
    C) project management skills are critical for achieving balance.
    D) HR personnel must hire more recruiters.
    E) performance management is critical in achieving balance.

7) Inadequate human resources planning within an organization can result in direct costs when labour demand decreases significantly for an extended period of time. Which of the following provides an accurate reason for this:
    A) it would cause hiring more HR staff.
    B) severance pay is required for a large number of staff.

C) there are project management costs.

D) there is a link to privacy laws.

E) it would cause costs associated with hiring part–time workers.

8) Strategic plans are created and carried out by:

A) people.

B) Human Resources personnel.

C) a Board of Directors.

D) a CEO.

E) a CFO.

9) Each of the following statements about the relationship between HRP and strategic planning is true EXCEPT:

A) HRP and strategic planning become effective when there is a reciprocal and interdependent relationship between them.

B) environmental scanning is a critical component of both HRP and strategic planning.

C) failure to integrate HRP and strategic planning can have very serious consequences.

D) HRP has long been part of the strategic planning process.

E) determining whether or not people will be available is a critical element of strategic planning.

10) External environmental factors that are most frequently monitored in HR and strategic planning include all of the following EXCEPT:

A) economic conditions.

B) new or revised laws.

C) market and competitive trends.

D) demographic trends.

E) international trade patterns.

11) Today, the most significant environmental factor relates to the dramatic demographic changes in:

A) the service sector.

B) the small business sector.

C) labour force composition.

D) the technological sector.

E) the public sector.

12) Which of the following is the first step in human resource planning?

A) balancing supply and demand

B) forecasting the availability of external candidates

C) analyzing the HR implications of the organization's strategic plans

D) forecasting the availability of internal candidates

E) forecasting future HR needs

13) Which of the following statements is true?

A) The number of young people in the Canadian labour force is now increasing.

B) Effective HRP involves focusing on monitoring trends only.

C) By 2010, one in two Canadians will be age 50 or older.

D) Probably the most significant environmental factor in HRP in Canada today relates to dramatic changes in labour–force composition.

E) Currently, the fastest growing groups in the Canadian labour force are visible minorities and persons with disabilities.

14) The first step in the HRP process, after the HR implications of the firm's strategic plans have been analyzed, is:

A) forecasting availability of internal and external candidates.
B) forecasting future human resources needs.
C) monitoring and evaluating the results.
D) planning and implementing HR programs to balance supply and demand.
E) job analysis and design.

15) Factors that should be considered when forecasting the number and type of people needed to meet organizational objectives include all of the following EXCEPT:
A) projected turnover.
B) quality and nature of employees.
C) decisions to upgrade the quality of products or services or enter into new markets.
D) the financial resources available to each department.
E) projected recruitment figures.

16) Which of the following is a quantitative approach to forecasting?
A) managerial judgment
B) trend analysis and the nominal group technique
C) trend analysis
D) the Delphi technique
E) the nominal group technique

17) Quantitative techniques to forecasting include all of the following EXCEPT:
A) the nominal group technique.
B) trend analysis.
C) regression analysis.
D) ratio analysis.
E) a scatter plot.

18) Computing the number of employees in the firm at the end of the last five years is associated with which of the following forecasting techniques?
A) regression analysis
B) ratio analysis
C) time–series analysis
D) a scatter plot
E) trend analysis

19) A forecasting technique for determining future staff needs by using ratios between sales volume and the number of employees needed is:
A) trend analysis.
B) ratio analysis.
C) a scatter plot.
D) regression analysis.
E) time–series analysis.

20) Like _____, ratio analysis assumes that productivity remains much the same and is therefore not appropriate in changing environments.
A) time–series analysis
B) a scatter plot
C) regression analysis
D) trend analysis
E) the nominal group technique

21) A _____ illustrates the relationship between two factors: a measure of business activity and staffing levels.
   A) regression analysis
   B) trend analysis
   C) time–series analysis
   D) ratio analysis
   E) scatter plot

22) A statistical technique involving the use of a mathematical formula to project future demands, based on an established relationship between an organization's employment level and some measurable factor of output, is known as:
   A) ratio analysis.
   B) a computerized forecast.
   C) trend analysis.
   D) a scatter plot.
   E) regression analysis.

23) In contrast to quantitative approaches, qualitative techniques rely solely on:
   A) expert judgments.
   B) regression analysis.
   C) trend analysis.
   D) multiple regression analysis.
   E) a scatter plot.

24) Two approaches used to gather qualitative data in order to forecast HR demand (or supply) are:
   A) ratio analysis and nominal group technique.
   B) regression analysis and nominal group technique.
   C) nominal group and Delphi technique.
   D) scatter plot and Delphi technique.
   E) trend analysis and scatter plot.

25) A decision–making technique that involves a group of experts meeting face to face, which can be used for HR forecasting, is known as:
   A) a formal expert forecast.
   B) the Delphi technique.
   C) managerial judgment.
   D) the nominal group technique.
   E) an informal expert forecast.

26) The drawbacks of which forecasting technique include subjectivity and the potential for group pressure to lead to less accurate assessments than could be obtained through other means?
   A) a formal expert forecast.
   B) an informal expert forecast.
   C) the Delphi technique.
   D) the nominal group technique.
   E) managerial judgment.

27) You have just been hired as the Director of Human Resources at a mid sized engineering company. The CEO has asked you to assist her in forecasting future human resources needs and to first use a forecasting technique which would generate an exchange of ideas among Directors of each division. She is concerned that you use a technique which will lead to greater acceptance of results among Directors. Which technique do you use?
   A) the nominal group technique

B) regression analysis
C) an informal expert forecast
D) nominal group technique
E) a formal expert forecast

28) You have just been hired as the Director of Human Resources at a mid sized engineering company. The CEO has asked you to assist her in forecasting future human resources needs and to first use a qualitative technique which is useful for long–range forecasting. Which technique do you choose?
   A) managerial judgment
   B) the Delphi technique
   C) an informal expert forecast
   D) a formal expert forecast
   E) the nominal group technique

29) The drawbacks of which forecasting technique include the fact that judgments may not efficiently use objective data?
   A) the nominal group technique
   B) an informal expert forecast
   C) the Delphi technique
   D) managerial judgment
   E) a formal expert forecast

30) Permitting a group to critically evaluate a wide range of views is an advantage of which forecasting technique?
   A) a formal expert forecast
   B) the nominal group technique
   C) an informal expert forecast
   D) the Delphi technique
   E) managerial judgment

31) Regardless of the forecasting method utilized, modifications are made based on:
   A) management control systems.
   B) managerial judgment.
   C) changing market conditions.
   D) HRIS data.
   E) changing economic conditions.

32) Alice is the HR consultant advising Nexus Inc., a small but successful software development firm on how to conduct human resource planning. In forecasting future demand for human resources what step should she advise management to take first?
   A) create a replacement chart
   B) develop a staffing table
   C) project the sales for each of the firm's products and calculate the volume of production needed to meet sales requirements
   D) project the sales for each of the firm's products and estimate quality and nature of employees needed
   E) project turnover

33) A pictorial representation of all jobs within the organization, along with the number of current incumbents and future employment requirements, is known as:
   A) an organization chart.
   B) a scatter plot.
   C) a replacement chart.

D) a staffing table.

E) a skills inventory.

34) Projected openings are filled by using the following sources of supply:

A) promoted employees.

B) employees who are transferred.

C) individuals employed at other firms.

D) unemployed individuals.

E) external and internal sources.

35) Short–term and long–range HR demand forecasts provide:

A) external supply forecasts.

B) present employees who can be transferred or promoted to meet anticipated needs.

C) half of the staffing equation.

D) internal supply forecasts.

E) the full staffing equation.

36) Alice is the HR consultant advising Nexus Inc., a small but successful software development firm on how to conduct human resource planning. She is currently explaining the "forecasting supply" step in the planning process to the CEO and confirms that projected openings are to be filled by using two sources. They are:

A) overtime and temporary workers.

B) internal and external supply.

C) transferring and promotion.

D) recruitment and promotion.

E) contracting–out and outsourcing.

37) A method of forecasting internal labour supply that involves tracking the pattern of employee movements through various jobs and developing a transitional probability matrix is known as:

A) trend analysis.

B) computerized forecasting.

C) multiple regression analysis.

D) ratio analysis.

E) Markov analysis.

38) Manual or computerized records summarizing employees' education, experience, interests, skills, etc., which are used to identify internal candidates eligible for transfer and/or promotion, are known as:

A) replacement charts.

B) Markov analyses.

C) job descriptions.

D) staffing tables.

E) skills inventories.

39) Management inventories:

A) are visual representations of who will replace whom in the event of a job opening.

B) are a method of forecasting labour supply that involves tracking the pattern of employee movements.

C) are used to keep track of employees' qualifications.

D) record information about managerial responsibilities and management training used to identify internal candidates eligible for promotion.

E) are a method used to arrive at a group decision involving outside experts.

40) You have been hired as the Director of HR at Targus Inc., a clothing retailer. To project the supply of outside candidates in the HRP process for the firm you will need to assess:

A) skills inventories.
 B) staffing tables.
 C) succession plans.
 D) national labour market conditions.
 E) management inventories.

41) In general terms, the lower the rate of unemployment:
     A) the easier it will be to recruit.
     B) the larger the labour supply.
     C) the smaller the labour demand.
     D) the smaller the labour supply.
     E) the larger the labour demand.

42) A reality is that Canada's population is aging as the baby boom cohort approaches retirement. Currently, _____ of all Canadian workers retire before the age of 65.
     A) 67%   B) 80%   C) 20%   D) 33%   E) 50%

43) Highly educated immigrants are the predominant drivers of:
     A) national labour market conditions.
     B) competitors' strategies.
     C) organizational training and development.
     D) local labour market conditions.
     E) growth.

44) Community growth rates and attitudes affect:
     A) competitors' strategies.
     B) unemployment rates.
     C) local labour markets.
     D) occupational market conditions.
     E) general economic conditions.

45) To project the supply of outside candidates, employers generally assess all of the following EXCEPT:
     A) national labour market conditions.
     B) local labour market conditions.
     C) competitors' strategies.
     D) occupational market conditions.
     E) general economic conditions.

46) In general terms, the lower the rate of unemployment:
     A) the larger the labour supply.
     B) the more difficult it is to recruit employees.
     C) the easier it is to fill positions.
     D) the harder it is to fill skills–shortage positions.
     E) the less competition there is for employees.

47) Demographic trends have a significant impact on:
     A) national labour market conditions.
     B) unemployment rates.
     C) occupational market conditions.
     D) general economic conditions.
     E) local labour market conditions.

48) Each of the following statements about local labour markets is true EXCEPT:
   A) They are affected by community growth rates and attitudes.
   B) Chambers of commerce can be excellent sources of local labour market information.
   C) One reason growing cities are attractive to employers is the promise of large future labour markets.
   D) Provincial/local development and planning agencies can be excellent sources of local labour market information.
   E) In communities experiencing population increases, it is often impossible to attract new business.

49) Each of the following statements about occupational market conditions is true EXCEPT:
   A) In recent years, there has been an undersupply of nurses.
   B) HRDC forecasts are useful for determining whether any projected imbalances will be self–correcting.
   C) Organizations generally want to forecast the availability of potential candidates in specific occupations.
   D) HRDC is a good source of information on occupational demand and supply.
   E) In recent years, there has been an oversupply of IT specialists.

50) To successfully fill positions internally, organizations must manage performance and careers. Performance is managed through:
   A) training and development.
   B) implementing a suitable reward structure.
   C) effective recruitment policies and systems.
   D) career tracking.
   E) effective selection and placement strategies.

51) A hiring freeze is all of the following except:
   A) a strategy that most employers use initially to balance demand and supply.
   B) a solution when demand exceeds supply.
   C) no outsiders are hired.
   D) when openings are filled by reassigning current employees.
   E) a common response to an employee surplus.

52) Specific strategies must be formulated to balance supply and demand. Possible scenarios are:
   A) there is a shortage of labour.
   B) expected demand matches supply.
   C) labour supply exceeds demand.
   D) supply matches expected demand.
   E) all of the above.

53) You have been hired as the Director of HR at Targus Inc., a clothing retailer. Due to a reduction in consumer demand you have been asked to advise management on how to reduce the amount of staff by 5% over the next 2 years. Although a slow method for reducing numbers the option which generally presents the least amount of problems is:
   A) introducing a reduced work week.
   B) downsizing through attrition.
   C) offering attractive early–retirement packages.
   D) offering attractive buyout packages.
   E) laying off employees.

54) Drawbacks of attrition include the following:
   A) It is hard to implement.
   B) It costs large sums of money.
   C) It takes a short period of time.
   D) Employees do not accept this strategy.

E) The organization has no control over who goes and who stays.

55) When the internal supply of employees exceeds the organization's demand, strategies used by employers include all of the following EXCEPT:
    A) downsizing through attrition.
     B) making early retirement mandatory.
    C) initiating job–share positions.
    D) offering attractive buyout packages.
     E) laying off employees.

56) You have been asked by the CEO to advise on how to reduce the workforce by 10% over the next 2 years. There is little in the budget for payment of up–front money. Which of the following would you NOT recommend?
    A) buyouts and early retirement packages
     B) work sharing
    C) layoffs based on reverse seniority
    D) job sharing
     E) reduced work weeks

57) With which of the following strategies for handling a labour surplus is the potential for a human rights violation most closely associated?
    A) early retirement packages
     B) reduced work weeks
    C) termination of employment
    D) job sharing
     E) work sharing

58) The layoff–avoidance strategy introduced by the federal government is known as:
    A) supplemental unemployment benefits.
     B) job sharing.
    C) the reduced work week.
    D) work sharing.
     E) the early leave package.

59) SUBS:
    A) are usually provided to non–union employees.
     B) are benefits that are paid indefinitely.
    C) increase income levels when on the job.
    D) top up employment insurance.
     E) decrease income levels when on the job.

60) Factors that should be taken into account when determining an appropriate severance package include all of the following EXCEPT:
    A) years of service.
     B) age.
    C) salary.
    D) the individual's likelihood of obtaining alternative employment.
     E) ethnic origin.

61) The guarantee by the employer to pay specified compensation and benefits in the case of termination due to downsizing or restructuring is known as:
    A) supplemental unemployment benefits.

B) a golden parachute clause.

C) a severance package.

D) a guaranteed annual wage.

E) wage protection insurance.

62) Survivor sickness is:

    A) a sickness found among production workers.

    B) an illness causing errors in work and reduced performance.

    C) a sickness found among white—collar workers.

    D) a range of emotions that can include feelings of betrayal or violation, guilt, and detachment.

    E) a physical illness caused by a toxic building.

63) Outplacement is:

    A) a service within a company facilitated by HR professionals.

    B) a service within a company that provides resume–writing and interview–skill workshops.

    C) a service offered by an outside agency that is provided to executives only.

    D) a service offered by an outside agency that provides job opportunities.

    E) a service offered by an outside agency that can assist terminated employees in finding employment elsewhere.

64) A major Canadian automaker has laid off 20% of its workforce over the course of 2 years. You are the HR professional responsible for surveying the employees remaining with the company to determine their level of engagement and job satisfaction. The survey responses indicate that many employees are experiencing feelings of guilt and detachment. What these employees are likely experiencing is known as:

    A) a negative work ethic.

    B) survivor sickness.

    C) survivor–guilt syndrome.

    D) employee apathy.

    E) reality shock.

65) The initial response to a labour shortage is often:

    A) retraining.

    B) transfer.

    C) promotion.

    D) layoffs.

    E) scheduling overtime.

66) To deal with a labour shortage, firms often use all of the following strategies EXCEPT:

    A) offering generous early retirement and buyout packages.

    B) recruiting.

    C) scheduling overtime.

    D) subcontracting work.

    E) transferring and promoting employees.

67) Advantages associated with a transfer include:

    A) more employee autonomy.

    B) the fact that skills and perspectives may be broadened.

    C) an increase in task significance.

    D) the fact that new challenges are the inevitable result.

    E) a pay increase for the employee involved.

68) Which of the following statements about merit–based promotions is true?

A) A promotion is sometimes based on an assessment of future potential.
 B) When promotions are based on seniority, objectivity is a problem.
 C) Promotions involve the movement of an employee from one job to another that is the same level in responsibility.
 D) Using seniority, the employee who is promoted is always the most competent.
 E) Unions often prefer that merit be the deciding factor.

69) Canada faces a long–term labour shortage. Many employers are seeking strategies to increase the workforce participation of:
    A) people with disabilities.
    B) aboriginal peoples.
    C) visible minorities.
    D) women.
    E) older workers.

70) Many employers are seeking strategies to set aside stereotypes and prejudice that older workers:
    A) do not want to try new things.
    B) are difficult to work with.
    C) are less productive.
    D) are resistant to change.
    E) all of the above.

71) Although flexible work arrangements have traditionally been associated with improving work/life balance, they are increasingly seen as part of a _____.
    A) compressed workweek
    B) business strategy
    C) flextime plan
    D) department's overhead
    E) telecommuting plan

72) You have just been hired as the Director of Human Resources at Greenlight Inc., a mid sized Canadian furniture manufacturer. You are considering implementing compressed workweeks. The following would be a potential advantage of implementing this at Greenlight:
    A) improved efficiency and reduction in absenteeism.
    B) reduction in absenteeism.
    C) improved efficiency, reduction in absenteeism, and reduction in paid overtime.
    D) reduction in paid overtime.
    E) decreased willingness of workers to work some evenings/weekends.

73) Other employers are switching to a plan that they call flexyear. Flexyear is when:
    A) employees can choose the number of hours that they want to work each month over the next year.
    B) employees work four ten–hour days instead of the more usual five eight–hour days.
    C) employees' flexible workdays are built around a core of midday hours.
    D) employees work from home.
    E) two or more employees can share a single full–time job.

TRUE/FALSE.   Write 'T' if the statement is true and 'F' if the statement is false.
   74) HRP is a process of reviewing human resources requirements to ensure that an organization has the required number of employees, with the necessary skills, to meet its goals.

   75) Starting in 2011, labour force growth in Canada will be entirely dependent on new immigrants.

76) Human Resources Planning is a reactive process which both anticipates and influences an organization's future.

77) Trend analysis is valuable as an initial estimate of HR demand only.

78) Ratio analysis involves making forecasts based on the ratio between two causal factors.

79) Regression analysis determines the line of best fit.

80) Exchanging ideas without face–to–face interaction is a characteristic of the nominal group forecasting technique.

81) Managerial judgment is central to qualitative forecasting, but plays only a small role in quantitative forecasting techniques.

82) External supply is one source of human resources supply.

83) Short–term and long–range HR demand forecasts only provide half of the staffing equation by answering the question "How many employees will we need?"

84) A Markov analysis can be used to forecast internal labour supply.

85) Failure to update skills and management inventories can lead to present employees being overlooked for job openings.

86) To project the supply of outside candidates, employers assess general economic conditions.

87) The first step to project the supply of outside candidates is to forecast local market conditions.

88) Highly educated immigrants are the predominant drivers of growth in the Canadian labour pool.

89) Forecasts for various occupations are available from a number of sources, but these sources are not very helpful for determining whether any projected imbalances will be self–correcting or whether they will require specific intervention on the part of governments and/or private–sector organizations.

90) Specific strategies must be formulated to balance supply and demand considerations.

91) A labour surplus exists when the internal supply of employees exceeds the organization's demand. Most employers respond initially by terminating employment.

92) A strategy used to deal with an employee surplus is the promotion of employees.

93) One of the most innovative ways to manage the coming labour shortage is through the use of flexible work arrangements.

94) Flextime is a plan whereby employees' flexible workdays are built around a core of midday hours.

ESSAY. Write your answer in the space provided or on a separate sheet of paper.
95) Explain the importance of Human Resources Planning (HRP).

96) Explain the relationship between human resources planning and strategic planning.

97) What are the factors that should be considered when forecasting the number and type of people needed to meet the organization's objectives?

98) Differentiate between trend analysis, ratio analysis, and regression analysis.

99) You are the HR professional responsible for Human Resources Planning (HRP) at Dineromucha Inc., a Canadian credit union. You will be implementing the nominal group technique for forecasting human resources needs. Cite and explain the steps you will follow.

100) You are the HR professional responsible for Human Resources Planning (HRP) at Dineromucha Inc., a Canadian credit union. You will be implementing the nominal group technique for forecasting human resources needs. What should you be aware of regarding the advantages and disadvantages of this technique?

101) Explain what the Delphi Technique is, and what steps are involved in this process.

102) Explain the advantages and disadvantages of the Delphi Technique.

103) You are the HR professional responsible for Human Resources Planning (HRP) at a major Canadian insurance provider, Bonnvue Inc. Environmental scanning is a critical component of HRP. Which environmental factors would you monitor as part of your responsibility for HRP?

104) Briefly describe the tools and techniques used to forecast the supply of internal candidates.

105) You are the V.P. Human Resources at a major Canadian automaker which has been significantly impacted by the recent recession. Briefly describe the major strategies available to you to deal with the labour surplus at the firm.

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

52) E
53) B
54) E
55) B
56) A
57) A
58) D
59) D
60) E
61) B
62) D
63) E
64) B
65) E
66) A
67) B
68) A
69) E
70) E
71) B
72) C
73) A
74) TRUE
75) TRUE
76) FALSE
77) TRUE
78) FALSE
79) TRUE
80) FALSE
81) FALSE
82) TRUE
83) TRUE
84) TRUE
85) TRUE
86) TRUE
87) FALSE
88) TRUE
89) FALSE
90) TRUE
91) FALSE
92) FALSE
93) TRUE
94) TRUE
95) HRP provides a framework for the coordination and integration of HRM policies and practices related to staffing and development activities, since they affect the requirements for and supply of human resources. Effective HRP helps a firm to:
• achieve its goals and objectives
• plan and coordinate recruitment, selection, training, career planning, and other staffing and development activities more effectively
• achieve economies in hiring new workers
• make major labour market demands more successfully
• anticipate and avoid shortages and surpluses of human resources

- or reduce labour costs
- utilize employees' capabilities more effectively, thereby increasing performance and productivity, and reducing dissatisfaction and turnover
- establish employment equity goals and timetables that are realistic and attainable

96) Strategic plans are developed and implemented by people in the organization. Determining whether or not the skills required will be available is a critical element of the strategic planning process. Although production, financial and marketing plans have been recognized as important considerations in the strategic planning process, HR plans are also seen today as another essential component. It is becoming clear that HRP and strategic planning become effective when a reciprocal and interdependent relationship exists between them.

97) • the demand for the organization's product or service
• projected turnover as a result of resignations or termination
• quality and nature of employees in relation to what management sees as the changing needs of the organization
• decisions to upgrade the quality of products or services or enter into new markets, which might change the required employee skill mix
• planned technological and administrative changes aimed at increasing productivity and reducing employee headcount
• the financial resources available to each department.

98) **Trend analysis** involves studying the firm's employment levels over a period of years to predict future needs. The purpose is to identify employment trends that might continue into the future. Because employment levels rarely depend solely on the passage of time, but rather on factors such as changes in sales volume and productivity, trend analysis can only provide an initial estimate
Ratio analysis involves making estimates based on the ratio between (1) some causal factor (such as sales volume) and (2) number of employees required. Like trend analysis, ratio analysis assumes that productivity remains about the same. Thus, ratio analysis can only provide an approximation of future HR needs.
Regression analysis is a more sophisticated statistical technique that involves the use of a mathematical formula to project future demands based on an established relationship between (1) an organization's employment level (dependent variable) and (2) some measurable factor of output (independent variable) such as revenue, sales, or production level. Where there are several dependent and/or independent variables, multiple regression analysis is used.

99) The steps are as follows:
• Each member of the group independently writes down his or her ideas on the problem or issue.
• Going around the table, each member then presents one idea.
• This process continues until all ideas have been presented and recorded, typically on a flipchart.
• No discussion is permitted during this step.
• Clarification is then sought, followed by group discussion and evaluation.
• Finally, each member is asked to rank the ideas.
• This is done independently and in silence.

100) The advantages of this technique include involvement of key decision makers, a future focus, and the fact that the group discussion can facilitate the exchange of ideas and greater acceptance of results.
Disadvantages include: subjectivity and the potential for group pressure to lead to less accurate assessment than could be obtained through other ways.

101) • It is useful for long–range forecasting and other strategic planning issues.
• It typically involves outside experts as well as company employees, based on the premise that outsiders may be able to assess changes and their potential impact more objectively.
• There are several steps involved in the process, including:
  1. **Problem identification**–each group member must submit a potential solution by completing a questionnaire; direct face–to–face contact is not permitted
  2. After the questionnaire is completed independently and anonymously, the **results are compiled** at a centralized location.
  3. A copy of the **results** is **given** to each member of the team.
  4. If there are differences in opinion, each individual uses the feedback from other experts to **fine–tune** his or her independent assessment.

5. The last 2 steps are repeated as often as necessary until a consensus is reached.

102) The advantages include: involvement of key decision makers and future focus. The technique permits the group to critically evaluate a wide range of views. Disadvantages include the fact that judgments may not use objective data efficiently, the time and costs involved, and the potential difficulty in integrating diverse opinions.

103) • economic conditions (general and regional)
   • market and competitive trends
   • new or revised laws and decisions of courts and quasi–judicial bodies
   • social concerns related to health care, childcare, and educational priorities
   • technological changes
   • demographic trends.

104) Some firms use the **Markov analysis** technique to track the pattern of employee movements through various jobs and develop a transitional probability matrix for forecasting internal supply by specific categories, such as position and gender. Such an analysis shows the actual number (and percentage) of employees who remain in each job from one year to the next, as well as the proportions promoted, demoted, transferred, and leaving the organization. These proportions (probabilities) are then used to forecast human resources supply.
   Skills inventories contain comprehensive information about the capabilities of current employees. Prepared manually or using a computerized system, data gathered for each employee include name, age, date of employment, current position, present duties and responsibilities, educational background, previous work history, skills, abilities and interests. Information about current performance and readiness for promotion is generally included as well. Data pertaining to managerial staff are compiled in a **management inventory**. In addition to the information listed above, such inventories include the number and types of employees supervised, duties of such employees, total budget managed, previous managerial duties and responsibilities, and managerial training received.
   Replacement charts are a visual representation of who will replace whom in the event of a job opening. Many employers use such charts to keep track of potential internal candidates for their most important positions. Such charts typically indicate age and replacement status of potential internal candidates, based on two variables: present performance and promotability. Replacement charts provide an excellent quick reference tool, they contain very little information. For that reason, many firms prefer to use **replacement summaries**. Such summaries list likely replacements for each position and their relative strengths and weaknesses, as well as information about current position, performance, promotability, age and experience
   Succession planning is the process used to ensure a suitable supply of successors for current and future senior or key jobs, so that the careers of individuals can be effectively planned and managed. Activities involved include: analysis of the demand for managers and professional by company level, function and skill; audit of existing executives and projection of likely future supply from internal and external sources; planning of individual career paths; career counseling; accelerated promotions, with development targeted against the future needs of the business; performance–related training and development; planned strategic recruitment; and the actual activities by which openings are filled.

105) You could initially respond to such a situation by implementing a **hiring freeze**, which means that openings are filled by reassigning current employees, and no outsiders are hired unless authorization is granted by the CEO due to extenuating circumstances. The surplus is slowly reduced through **attrition**, which is the normal separation of employees from an organization due to resignation, retirement, or death. Some organizations attempt to accelerate attrition by offering incentives to employees to leave, such as **buyout** and **early retirement programs**.
   There are a number of strategies to reduce the total number of hours worked. Included are **job sharing**, which involves dividing the duties of a single position between two or more employees; reducing full–time positions to **part–time work**; instituting a **work–sharing** arrangement, whereby employees work three or four days a week and collect Employment Insurance on their non–work day(s); and placing employees on a **reduced work week**, which involves employees working fewer hours and receiving less pay.
   It may be necessary for the firm to place employees on **layoff**. This involves the temporary withdrawal of employment to workers for economic or business reasons. Layoffs may be of relatively short duration, or may last months or even years.
   When employees are no longer required by the organization, the employment relationship may be permanently severed. This is known as **termination**. You should consider severance pay obligations and supplying outplacement assistance.

Chapter 6

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

1) Which of the following statements about recruitment is true?
   A) The HR department staff members have line authority for recruitment.
   B) Recruitment is the process of searching for and selecting the most appropriate individual to staff job requirements.
   C) In large organizations, in which recruiting is done on an almost continuous basis, there are specialists, known as employment managers, whose job it is to find and attract capable applicants.
   D) The recruitment process begins with the identification of a position that requires staffing, and is completed when resumes and/or completed application forms are received from an adequate number of applicants.
   E) The recruitment process begins with the identification of a position that requires staffing, and is completed when a short list of candidates has been compiled.

2) Which of the following is true of employer branding?
   A) It is the image of the organization as an employer held by persons external to the organization only.
   B) It is the image of the organization as an employer held by applicants for a position with the organization only.
   C) It is important only for persons who are eventually hired by the organization.
   D) It is the image of the organization as an employer held by persons external to the organization as well as current employees.
   E) It is the image of the organization as an employer held by current employees only.

3) The first step in employer branding includes:
   A) developing the employee value proposition.
   B) HR planning.
   C) building a pool of candidates.
   D) defining the target audience in terms of where to find them and what they would want from an employer.
   E) defining the target audience in terms of where to find them.

4) The second step in employer branding includes:
   A) building a pool of candidates.
   B) defining the reasons why the organization is a unique place to work and would be an attractive employer to the desired audience.
   C) defining the target audience in terms of where to find them and what they would want from an employer.
   D) defining the reasons why the organization is a unique place to work.
   E) defining the target audience in terms of where to find them.

5) Identifying which job requirements should be filled internally and which externally is most closely associated with:
   A) a human resources requisition form.
   B) HR planning.
   C) building a pool of candidates.
   D) choosing the appropriate recruitment method(s).
   E) determining the job requirements.

6) When job openings arise unexpectedly these openings are identified by:
   A) manager request.
   B) human resources planning.

C) building a pool of candidates.

D) choosing the appropriate recruitment source(s) and method(s).

E) determining the job requirements.

7) Determining the job requirements involves:

A) reviewing the employment equity plan.

B) perusing the human resources plan.

C) relying on the human resources requisition form.

D) relying on the supervisor's judgment.

E) reviewing the job description and job specification and updating them, if necessary.

8) Constraints affecting the recruitment process arise from:

A) inducements offered by competitors.

B) emerging labour shortages, inducements offered by competitors, and employment equity plans.

C) there are no constraints.

D) employment equity plans and emerging labour shortages.

E) emerging labour shortages and inducements offered by competitors.

9) An engineering consulting company operating across Canada has launched an initiative to recruit engineers from England. Which of the constraints on the recruitment process is this most likely primarily designed to address?

A) the labour shortage for certain occupations in Canada

B) employment status policies

C) employment equity plans

D) compensation policies

E) inducements offered by competitors

10) _____ influence the attractiveness of the job to potential applicants.

A) Human resources plans

B) Recruitment budgets

C) Promote–from–within policies

D) Employment status policies

E) Compensation policies

11) The biggest constraint on recruiting activity at this time is the:

A) environmental factors.

B) recruiter preferences.

C) the recruitment budget.

D) organizational plans.

E) emerging labour shortage.

12) Recruiters must try to meet the prevailing standards while dealing with:

A) organizational policies.

B) inducements of competitors.

C) environmental factors.

D) recruiter preferences.

E) the job specifications.

13) You are a recruiter for a public relations agency and must fill the position of Director of Business Development. The advantages of filling the position with inside candidates includes:

A) insiders are likely to have an innovative approach.

B) insiders are less likely to require training and are more likely to have an innovative approach.

C) there would be no advantages.
D) managers are provided with a longer–term perspective when making business decisions and insiders may be more committed to company goals and less likely to leave.
E) managers are provided with a longer–term perspective when making business decisions.

14) You are a recruiter for a public relations agency and must fill the position of Director of Business Development. The disadvantages of filling the position with inside candidates includes all of the following EXCEPT:
   A) less orientation is required
   B) inbreeding.
   C) difficulty for a newly–chosen leader to gain acceptance.
   D) less innovative approaches to decision–making
   E) a waste of time if all internal candidates must be interviewed.

15) To be effective, promotion from within requires using each of the following tools EXCEPT:
   A) job posting.
   B) newspaper advertisements.
   C) human resources records.
   D) skills inventories.
   E) interviewing.

16) An effective way of spreading the word about job opportunities to current employees is:
   A) preparing a job specification.
   B) job posting.
   C) placing a classified advertisement in the newspaper.
   D) radio advertising.
   E) preparing a job description.

17) Information typically found in a job posting includes all of the following EXCEPT:
   A) posting date.
   B) job title.
   C) pay range.
   D) the name of the previous incumbent.
   E) qualifications required.

18) Skills inventories are:
   A) always used instead of job postings.
   B) only computerized.
   C) used for employee training.
   D) not useful unless there is a unique job being applied for.
   E) often used as a supplement to job postings.

19) An examination of human resources records may reveal all of the following EXCEPT:
   A) persons with the potential to move into the vacant position if given some additional training.
   B) occupational segregation.
   C) underemployment.
   D) employees who are working in jobs below their education or skill levels.
   E) people who already have the requisite KSAs.

20) Advantages of job posting include all of the following EXCEPT:
   A) employment equity goals are more likely to be met.
   B) the organization's commitment to career growth and development is demonstrated.

C) the organization's policies and guidelines regarding promotions and transfers are communicated.

D) every qualified employee is provided with a chance for a transfer or promotion.

E) the likelihood of special deals and favouritism is reduced.

21) You are a recruiter for a public relations agency and must fill the position of Director of Business Development. The disadvantages of an internal job posting include:

A) every qualified employee does not have a chance for transfer or promotion.

B) it is rare that it is a difficult decision about which candidate to select; even if there are two or more equally qualified candidates.

C) it does not reduce the likelihood of special deals and favouritism.

D) unsuccessful job candidates are rarely demotivated, understanding feedback may not be communicated in a timely manner.

E) the decision about which candidate to select may be more difficult if there are two or more equally qualified candidates.

22) You are a recruiter for a telecommunications company. When recruiting for the position of Director of Customer Service which of the following is most helpful as a supplement to job postings to ensure that qualified internal candidates are identified and considered when vacancies arise?

A) a telephone hot–line

B) a succession plan

C) skills inventories

D) replacement summaries

E) a replacement chart

23) Which of the following is a limitation of recruiting from within the organization?

A) If positions are vacated unexpectedly, there may be no qualified internal candidates.

B) In firms with a promote–from–within policy, positions are rarely filled externally.

C) Most entry–level jobs are filled with current employees.

D) If there is a job posting policy, external candidates can only be considered if there are no qualified internal candidates.

E) All of the above are limitations of recruiting from within.

24) You are a recruiter for a telecommunications company. When recruiting for the position of Director of Customer Service which of the following would not account for why you would recruit externally?

A) The quality of the selection decision may be better.

B) Creative problem–solving techniques may be acquired.

C) Qualified employees have a chance for promotion.

D) Rivalry and competition between employees may be eliminated.

E) Employment equity goals and timetables may be met.

25) External recruitment often results in:

A) cost savings due to less extensive training.

B) rivalry and competition among employees.

C) higher costs due to extensive training.

D) the generation of a homogeneous pool of applicants.

E) problems in meeting employment equity goals.

26) For executive–level positions, firms normally rely on:

A) online recruitment.

B) employment agencies.

C) professional search firms.

D) employee referrals.

E) newspaper ads.

27) In a recent survey, local newspaper advertising was rated as "very useful" by 54 percent of respondents for which of the following categories of employees?
    A) professional employees
    B) technical employees
    C) executives
    D) managers/supervisors
    E) other salaried employees

28) Yield ratio is:
    A) applicants who perform well in the hiring process.
    B) the percentage of applicants that will not proceed to the next stage of the process.
    C) the percentage of applicants that proceed to the next stage of the process.
    D) applicants who perform poorly in the hiring process.
    E) applicants that do not continue in the hiring process.

29) Time–lapse data:
    A) is not a useful tool in the recruitment process.
    B) is the average number of days from when the company initiates a recruitment method to when the successful candidate begins to work.
    C) can not be used for every recruitment method.
    D) is the average number of days from when the company initiates a recruitment method to when the successful candidate begins to work and has completed the orientation process.
    E) does not take into account the amount of lead time available.

30) Employers may use a recruiting yield pyramid for each recruitment method to determine the:
    A) number of applicants that must be attracted to hire the required number of new employees.
    B) projected turnover rate.
    C) number of applicants failing the recruiting and selecting process.
    D) number of applicants rejected.
    E) amount of lead time needed to hire the required number of new employees.

31) Employers may use time–lapse data for each recruitment method to determine the:
    A) number of applicants rejected.
    B) projected turnover rate.
    C) number of applicants failing the recruiting and selecting process.
    D) amount of lead time needed to hire the required number of new employees.
    E) number of applicants that must be attracted to hire the required number of new employees.

32) Online recruitment:
    A) reduces hiring speed because of technological complexities.
    B) reduces the use of the Intranet and Internet technology.
    C) does increase hiring speed, and therefore reduces the costs of vacant positions.
    D) reduces hiring speed but does reduce the costs of vacant positions.
    E) increases hiring speed, and therefore increases the costs of vacant positions.

33) Online job boards are:
    A) secure and confidential.
    B) fast, convenient and easy, when the job boards used are large.
    C) fast, but not easy.
    D) slow but easy to use.

E) fast, convenient and easy.

34) Popularity of Internet job boards among job seekers is high due to:
   A) the technological requirements of the Internet.
   B) the types of job postings available.
   C) they are not popular.
   D) the number of job postings available on one site.
   E) the features of the job boards.

35) One problem with Internet job boards is:
   A) it is difficult to post resumes online.
   B) they are vulnerable to privacy breaches.
   C) there are no problems.
   D) fake job postings lead to resumes copied onto competing job boards.
   E) job seekers cannot search multiple job boards with one query.

36) With the overabundance of applicants now found on most online job boards, employers now use:
   A) application service providers.
   B) Monster.ca.
   C) their own corporate websites to recruit.
   D) workopolis.ca.
   E) print advertising.

37) Corporate career Web sites:
   A) provide details about the human resource planning.
   B) provide a platform that promotes the corporate brand.
   C) educate the applicant about the industry.
   D) provide links to company advertisements.
   E) capture data about the organization.

38) Corporate Web sites can help the company create a pool of candidates who have:
   A) already expressed interest in the organization.
   B) already been prescreened.
   C) replied to a specific ad in print.
   D) already worked with the company.
   E) already filled out an application form.

39) Online recruiting must be consistent with the company's overall:
   A) marketing strategy.
   B) sales strategy.
   C) operations strategy.
   D) finance strategy.
   E) business development strategy.

40) Passive job seekers are:
   A) managerial employees.
   B) happily employed in their present job.
   C) professional employees.
   D) manufacturing employees.
   E) looking for a new job.

41) Best practices for career Web sites include:

A) embellishing business prospects.
 B) having a direct link from the homepage to the career page.
 C) using an ASP.
 D) including a unique application for each functional area.
 E) using print along with the Web site.

42) Firms use application service providers to power their career Web sites so that the company:
     A) can allow the HR department to focus on tactical recruitment efforts.
     B) can worry about administering recruiting software only.
     C) can reduce recruitment costs.
     D) can reduce recruitment costs.
     E) does not have to worry about maintaining or updating the recruiting software.

43) ASP firms provide:
     A) resume writing workshops.
     B) a long list of candidates for interviews.
     C) a short list of candidates for interviews.
     D) standardized application forms.
     E) sample resumes.

44) Corporate Web sites:
     A) are allowing streamlining of data to use in the application.
     B) are using career Web sites to advertise products or services sold.
     C) improve recruitment through online screening tools for communicating with candidates, thereby saving time.
     D) create different types of applications and help recruiters manage relationships with candidates.
     E) are using career Web sites to position corporate brands to advertise career opportunities.

45) Active job seekers:
     A) are known as "passive" job seekers.
     B) have the best access to the career Web sites.
     C) are not the only type of individuals to visit the career Web site.
     D) must have an accessible, prominently positioned link on the homepage leading directly to the career section to make it easier for them to pursue job opportunities.
     E) are the individuals that visit the career Web sites.

46) Best practices for career Web sites include:
     A) allowing no third–party sources of information.
     B) focusing on easy navigation but not allowing fast download times.
     C) flashy design.
     D) presenting material in large blocks of text.
     E) trying to personalize each job seeker's experience.

47) The four–point guide should be used to construct an ad. The guide is called:
     A) PA.
     B) AIDA.
     C) IDA.
     D) DA.
     E) none of the above.

48) To achieve optimum results from an ad, the ad should:
     A) create desire for the job.

B) name whom to call.

C) tell people where to apply.

D) appear in the classified ads.

E) none of the above.

49) Blind ads:

   A) are favoured by job seekers.

   B) are always used if the position is still staffed.

   C) are the same as want ads.

   D) allow for confidentiality for the hiring firm.

   E) do not allow a job seeker to unknowingly send a resume to the firm at which they are currently employed.

50) Which of the following is an advantage of using advertising as a recruitment method?

   A) advertising allows job seekers to respond very quickly

   B) advertising reduces costs associated with recruitment

   C) advertising saves time in the process

   D) there is no advantage

   E) advertising allows employers to reach a diverse group of job applicants

51) Which of the following is considered an inexpensive recruitment method?

   A) educational institutions

   B) employee referrals

   C) write–ins

   D) walk–ins *and* write–ins

   E) walk–ins

52) You are a recruiter in a telecommunication company. In recruiting for the position of Business Division Sales Manager which of the following would be the advantage of the employee referral method?

   A) It would assist in managing diversity in the firm.

   B) It usually leads to higher quality candidates.

   C) It generally attracts a greater pool of applicants than other methods.

   D) It represents a low recruiting cost.

   E) It does not allow inbreeding.

53) Perhaps the biggest drawback associated with employee referrals is the:

   A) potential for systemic discrimination.

   B) potential for morale problems.

   C) costs involved in providing cash awards.

   D) dissatisfaction of employees whose referral is not hired.

   E) unrealistic expectations newly–hired employees have about the firm.

54) Nepotism:

   A) is a preference for hiring relatives of current employees.

   B) can cause morale problems associated with hiring for executive positions.

   C) is a preference for hiring past colleagues of current employees; this is associated with employee referrals.

   D) is a disadvantage as associated with hiring on an on–line job board.

   E) is associated with recruiting at schools.

55) Nepotism is a problem most closely associated with:

   A) walk–ins.

B) human resource centres.

C) write–ins.

D) employee referrals.

E) educational institutions.

56) You are a recruiter in a telecommunications company and are hiring for the position of Human Resources Clerk. The position requires some formal training but little work experience. Which of the following recruitment methods is likely to be most effective in generating a pool of qualified candidates at low cost?

A) educational institutions

B) newspaper advertisements

C) human resource centres

D) professional journal advertisements

E) employment agencies

57) Summer internship programs:

A) frequently offer permanent positions following graduation if interns have excellent performance.

B) are expensive to assess students.

C) produce win–win results, but students benefit more.

D) hire college and/or university students to complete summer projects before they graduate.

E) have one objective only: to allow students to obtain business experience.

58) Benefits associated with internship, co–op, and field placement programs include all of the following EXCEPT:

A) current knowledge and enthusiasm.

B) low recruitment costs.

C) less likelihood of leaving shortly after hire if employed by the firm.

D) the ability of employers to assess the skills and abilities of potential employees.

E) experienced talent

59) Human resource centres are used primarily to help:

A) supervisory employees.

B) union employees.

C) unemployed individuals.

D) skilled tradespersons.

E) technical employees.

60) Situations in which an employer may use an employment agency for candidate recruitment include all of the following EXCEPT:

A) a perceived need to attract a more homogeneous pool of applicants.

B) the need to fill an open position quickly.

C) lack of an internal HR department.

D) difficulty in generating a pool of qualified job candidates for this type of position in the past.

E) the organization does not have an HR department.

61) To seek out middle– to senior–level professional and managerial employees, firms often retain:

A) a talent scout.

B) a professional or trade association.

C) a professional agency.

D) an executive search firm.

E) an employment agency.

62) Which of the following statements about headhunters is true?

A) They often specialize in a particular type of talent.
 B) The percentage of positions filled by such firms is generally quite large.
 C) Their code of ethics prohibits them from contacting individuals who are currently employed.
 D) They are paid a fee by the job seeker.
 E) They are used for jobs in the $30,000 plus pay range.

63) Advantages associated with the use of headhunters include all of the following EXCEPT:
 A) their skill in reaching individuals who are not actively looking to change jobs.
 B) their wide number of business contacts.
 C) they typically know the marketplace.
 D) their skill in reaching individuals who are employed.
 E) their skill in recruiting employees of all levels.

64) A potential pitfall to using Executive Search Firms includes all of the following EXCEPT:
 A) they may present unpromising candidates to a client.
 B) they tend to focus only on persons currently looking for new positions.
 C) the time that must be spent explaining in detail the type of candidate required.
 D) they can be more interested in persuading the employer to hire any candidate.
 E) they tend to be more salespeople than they are professionals.

65) To achieve optimum results from an advertisement, the four–point guide known as *AIDA* should be used. This stands for:
 A) attention, interest, desire, action.
 B) approach, introspection, desire, activity.
 C) alert, interest, desire, appraisal.
 D) attention, illumination, development, assessment.
 E) attention, interest, development, action.

66) You are a recruiter with a software development firm and are seeking to fill positions requiring specific computer programming knowledge and work experience. Which of the following recruitment sources or methods would be particularly useful to you?
 A) educational institutions
 B) a labour organization
 C) write–ins
 D) newspaper advertising
 E) professional and trade associations

67) The types of positions commonly filled through union hiring halls include all of the following EXCEPT:
 A) plumbers.
 B) welders.
 C) carpenters.
 D) security guards.
 E) pipe fitters.

68) The CFLC is responsible for:
 A) allowing employers to interview for personnel at more than 300 military units.
 B) requiring civilian employers to give reservists time off for training.
 C) promoting the hiring of reservists by civilian employers.
 D) developing a database of job postings for skilled personnel at no charge.
 E) conducting reserve force training that develops military skills.

69) Open houses are:

A) the choice when there are many jobs for candidates.
 B) the most popular recruitment method.
 C) common in government organizations.
 D) not used today.
 E) none of the above

70) Job fair events would not allow:
     A) computer technology can be used; some job fairs are held on–line.
      B) in–depth assessment of candidates.
      C) recruiters to share job opportunities in an informal, relaxed setting.
      D) top prospects to be invited to visit the firm at a later date.
      E) recruiters to share information about the organization.

71) As outlined in the text, sources of nonpermanent staff are:
     A) older workers.
      B) contract workers and temporary help agencies.
      C) temporary help agencies, contract workers, and employee leasing.
      D) younger workers.
      E) temporary help agencies.

72) All of the following statements about temporary help agencies are true EXCEPT:
     A) If a temp performs unsatisfactorily, a substitute can generally be sent within one business day.
      B) Temps cost much less than permanent employees.
      C) Temps are generally well paid.
      D) Firms may use temporary employees to handle special projects for which there are no current
         employees with time and/or expertise.
      E) Temporary agencies provide supplemental workers.

73) All of the following statements about contract workers are true EXCEPT:
     A) Contract workers tend to have high employer commitment.
      B) Many professionals with specialized skills become contract workers.
      C) Some contractors are individuals who have been unable to obtain full–time work.
      D) Some have consciously made a decision to work for themselves.
      E) Some have found themselves out of a full–time job due to cutbacks.

74) Employee leasing typically is:
     A) an arrangement that involves a company transferring specific employees to the payroll of an agency.
      B) an contract that involves an organization hiring individuals permanently.
      C) an arrangement that involves a company transferring specific employees to the payroll of a subsidiary
         of the organization.
      D) an arrangement to hire that involves an organization hiring individuals from designated groups.
      E) an arrangement that involves a company transferring specific employees to the payroll of a professional
         employer organization (PEO) in an explicit joint–employment relationship.

75) Significant benefits to hiring and retaining older employees include:
     A) their strong work ethic.
      B) the opportunity to invest in retraining.
      C) their knowledge of history–how things were done.
      D) the opportunity to develop flexible work options.
      E) none of the above.

76) Which of the following is true about recruiting members from Generation Y according to recent research?

A) They value creativity, diversity, and social responsibility.
 B) They value job security and diversity.
 C) Work/life balance is their greatest priority in choosing an employer.
 D) They value job security.
 E) They value creativity and social responsibility.

77) Renu, a recruiter at a sportswear retailer, has developed a job application form on which applicant responses have been weighted, based on their statistical relationship to measures of job success. The form she developed is known as a:
   A) biographical information blank.
   B) weighted application blank.
   C) statistical application form.
   D) selection test.
   E) weighted application form.

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

78) Recent research has found a strong correlation between successful recruiting and shareholder value.

79) Recruitment is the process of searching out and hiring qualified job applicants.

80) Having a recruit–from–within policy may mean that no external candidates can be considered until the posting period is over, even if it is well known that there are no qualified internal candidates.

81) Relying on employee referrals can result in systemic discrimination.

82) External recruitment is generally the major source of candidates.

83) In many firms with a policy of promoting from within, potential external candidates are also considered.

84) One advantage of employee referrals is that, because there are no advertising fees involved, paying bonuses represents a low recruiting cost.

85) A disadvantage of using social networking sites as a recruitment method is the cost involved.

86) A risk of using social networking sites as a recruitment method is that disgruntled former employees or customers may post negative comments on the site.

87) HRDC helps individuals find jobs at no cost to the candidate but the employer must pay a fee.

88) Recruits can be hired through union hiring halls, particularly in construction. The roster of members only work for one organization at a time.

89) Individuals working as temps who are seeking full–time employment are often highly motivated, knowing that many employers choose full–time employees from the ranks of their top–performing temps.

90) Many firms, recognizing the benefits of a multigenerational work force, are taking steps to recruit both older and younger workers.

91) Trends of particular significance today include a decrease in the availability of younger workers.

92) Most of the recruitment methods outlined in the text can be used to attract designated group members even though the employer's commitment to equity and diversity is unclear.

93) For most employers, completion of an application form is the last step in the recruitment process.

94) Application forms can legally ask for information pertaining to citizenship.

95) If there are illegal questions on an application form, an unsuccessful candidate may challenge the legality of the entire process. The burden of proof is on the job candidate.

96) A detailed application form requesting biographical data found to be predictive of success on the job is known as a weighted application blank.

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

97) Recruiting a diverse workforce is a necessity. Compare and contrast the benefits of attracting older workers versus younger employees.

98) A well established advertising firm wishes to employ more younger workers in order to bring new perspectives and creativity to the firm. What benefits should the firm put in place for existing workers in order to entice this target group to join the firm.

99) Even when detailed resumes have been submitted, most firms also request that a standardized company application form be completed by every job applicant. Why?

100) Describe the steps in the recruitment process.

101) List and explain the steps an employer should take to brand itself as an "employer of choice."

102) What are the advantages and disadvantages of filling open positions with internal candidates?

103) What are the advantages of external recruitment?

104) You are a human resources Consultant hired by a client to advise on developing a career Web site. What are the best practices of career website development that you would discuss with the client?

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

52) D
53) A
54) A
55) D
56) A
57) A
58) E
59) C
60) A
61) D
62) A
63) E
64) B
65) A
66) E
67) D
68) C
69) A
70) B
71) C
72) C
73) A
74) E
75) A
76) A
77) B
78) TRUE
79) TRUE
80) TRUE
81) TRUE
82) TRUE
83) TRUE
84) TRUE
85) FALSE
86) TRUE
87) TRUE
88) TRUE
89) TRUE
90) TRUE
91) TRUE
92) FALSE
93) TRUE
94) TRUE
95) FALSE
96) FALSE
97) Benefits of recruiting older workers: high job satisfaction; a strong sense of loyalty and organizational commitment; a strong work ethic; good people skills; and willingness to work in a variety of roles, including part–time
Benefits of recruiting younger workers: they bring energy, enthusiasm, and physical strength to their positions
98) Recent research indicates that the top 3 benefits for enticing generation Y members are salary, casual wok environment and growth development opportunities. Other enticements include:
• Opportunities to volunteer in the community
• Regular feedback

- reimbursement programs

Tuiti • Strong reward and recognition programs

on • A connection to the vision and mission of the organization.

99) • Candidate comparison is facilitated because information is collected in a uniform manner.
• The information that the company requires is requested; it is not simply left to the candidate to include that which he or she wishes to reveal. By asking for work history in reverse chronological order and insisting that dates be provided, for example, gaps in work history may be revealed that are concealed on the candidate's resume.
• Candidates are typically asked to complete an application form while on the company premises, which means that the application form is more likely to be a sample of the candidate's own work.
• Application forms typically ask the candidate to provide written authorization for reference checking. A photocopy of this section of the application form can be faxed or mailed to individuals being asked for references, if so requested.
Candidates are asked to acknowledge that the information provided is true and accurate, which protects the company from applicants who falsify their credentials.
• Many application forms today have an optional section regarding designated group member status. This information is used for employment equity tracking purposes.

100) **Job openings** are identified through HR planning or manager request. HR plans play a vital role in the identification process, because they indicate present and future openings and specify which should be filled internally and which externally. When openings arise unexpectedly, the immediate supervisor may have to complete a human resources requisition form or a business plan to obtain authorization to proceed with recruitment and selection.
The job requirements are determined. This involves reviewing the job description and the job specification and updating them, if necessary. Manager comments may also prove helpful in identifying requirements, particularly pertaining to personality and fit.
Appropriate recruiting source(s) and method(s) are chosen. There is no single best recruiting technique, and the most appropriate for any given position depend(s) on a number of factors, including type of position, recruitment budget, and compensation policies.
A pool of qualified recruits is generated.

101) There are 3 steps in employer branding.
The employer should first define the target audience, where to find them, and what they want from an employer.
The second step is to develop the employee value proposition. In this step the employer should identify the specific reasons that make the organization a unique place to work and a more attractive employer for the target audience.
The third step is to communicate the brand by incorporating the value proposition in to all recruitment efforts.

102) There are at least five underadvantages of recruiting within the organization:
• Employees see that competence is rewarded, thus enhancing commitment, morale and performance.
• Having already been with the firm for some time, inside candidates may be more committed to company goals and less likely to leave.
• Managers are provided with a longer–term perspective when making business decisions.
• It is generally safer to promote employees from within, since the firm is likely to have a more accurate assessment of the person's skills and performance level than would otherwise be the case.
• Inside candidates require less orientation than outsiders.
Hiring from within also has a number of disadvantages:
• Employees who apply for jobs and don't get them may become discontented.
• Managers may be required to post all job openings and interview all inside candidates, even when they already know whom they wish to hire, thus wasting considerable time and creating false hope on the part of those employees not genuinely being considered.
• Employees may be less satisfied with and accepting of a new boss appointed from within their own ranks than they would a newcomer.
• It is sometimes difficult for a newly–chosen leader to adjust to no longer being "one of the gang."
• There is a possibility of "inbreeding." When an entire management team has been brought up through the ranks, there may be a tendency to make decisions by the book and to maintain the status quo, when a new and innovative direction is needed.

103) External recruitment may result in:

• generation of a larger pool of qualified candidates, which may have a positive impact on the quality of the selection decision

• availability of a more diverse pool of applicants, which can assist in meeting employment equity goals and timetables

• acquisition of skills or knowledge not currently available within the organization and/or new ideas and creative problem–solving techniques

• elimination of rivalry and competition caused by employees jockeying for transfers and promotions, which can hinder interpersonal and interdepartmental cooperation

• potential cost savings resulting from hiring individuals who already have the skills, rather than providing extensive training.

104) • Include candid information about the culture, career paths, and business prospects. Some online applicants also want to view virtual tours of the workplace.

• Design separate sections for different types of job seekers, such as students.

• Have a direct link from the home page to the career page.

• Have a job search tool that allows applicants to search open job position by location and job category.

• Have a standardized application or resume builder to allow for easy applicant screening.

• Utilize "e–mail to a friend" options for visitor referrals.

Chapter 7

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

1) Which of the following are considered to be "hidden" costs of a poor selection process?
   A) customer alienation
   B) Strategic objectives will not be met.
   C) The cost of beginning the selection process over again when an unsuccessful employee is terminated.
   D) Customer alienation and internal disorganization when an unsuccessful employee is terminated.
   E) The cost of orienting a newly selected employee to replace the unsuccessful employee who was terminated.

2) Renu is the human resources professional at a telecommunications company who is tasked with ensuring that the firm's selection process adheres with the firm's employment equity plan mandated by legislation. Which of the following must she ensure?
   A) The process does not have an adverse effect on women or members of certain religious groups.
   B) The process does not have an adverse effect on women or persons with disabilities.
   C) No employees with unsuitable backgrounds are hired.
   D) The process does not have an adverse effect on women, persons with disabilities, aboriginal's persons or visible minorities.
   E) Written authorization is obtained for reference checking.

3) Yung is the manager of human resources at a credit union. Following an incident where a former employee was convicted for theft of customer account information she has become increasingly concerned about negligent hiring lawsuits. Which of the following steps would be the most helpful in addressing her concern?
   A) ensuring selection criteria are based on job descriptions
   B) ensuring selection criteria are based on job specifications
   C) adequately assessing the applicant's ability to meet performance standards
   D) carefully scrutinizing application forms and checking references
   E) obtaining consent to check references

4) A selection ratio of 1:3 generally means the following:
   A) there are many applicants from which to select.
   B) there are high quality recruits and many applicants from which to select.
   C) there are a limited number of applicants from which to select.
   D) there are low quality recruits but many applicants from which to select.
   E) there are a limited number of applicants from which to select and likely low quality recruits.

5) The multiple hurdle strategy is an approach to selection involving a(n):
   A) reliability and validity analysis.
   B) selection of instruments for selection purposes.
   C) series of successive steps or hurdles.
   D) series of interviews.
   E) none of the above.

6) Girish is the owner of a software development firm with 60 employees. He wishes to implement a formal testing program which measures work related traits and behaviours. Which of the following do you recommend he implement?
   A) a computerized testing program
   B) The Predictive Index
   C) the Wonderlic Personnel Text
   D) There is no such tool.
   E) panel interviews

7) Which is true of the interview question: "How would you handle an angry customer?"
    A) It is a situational question.
    B) It tests knowledge and experience.
    C) It tests intellectual capacity.
    D) It is an example of behavioural interviewing.
    E) It is a situational question which tests knowledge and experience.

8) Selection is a strategic activity in that the ideal individual will possess the:
    A) required skills, technical ability and knowledge.
    B) required KSAs, with the right experience.
    C) ability to fit with the strategic direction of the organization.
    D) required KSAs, perform well, and fit the organizational culture.
    E) required skills, and fit the organizational culture.

9) Strategic selection is important for the following reasons:
    A) ethical reasons.
    B) the costs involved, impact on performance, and legal implications.
    C) the time and costs involved.
    D) the employment equity plan.
    E) the budget required and legal implications.

10) Employers are increasingly being held liable for damages stemming from their:
    A) failure to abide by employment equity legislative requirements.
    B) use of unreliable selection tests.
    C) use of invalid selection tests.
    D) discriminatory practices in the selection process.
    E) "negligent hiring" of workers who subsequently commit criminal acts on the job.

11) Which of the following statements is true?
    A) Selection plays a relatively minor role in the achievement of employment equity goals.
    B) The organization's strategic plan places major constraints on selection decisions.
    C) Selection strategies should be continually refined, regardless of cost.
    D) The types of selection instruments and screening devices used are fairly standardized.
    E) The HR department staff members generally screen and test applicants, perform reference checking, and make the final selection decision.

12) Which of the following statements is true?
    A) The organization's right to know outweighs an individual's right to privacy.
    B) Accepting gifts from a private employment agency wanting the firm's business is an acceptable practice.
    C) By basing selection criteria on bona fide occupational requirements, defined through job analysis, firms can create a legally defensible hiring system.
    D) The selection ratio is generally unrelated to the quality of recruits.
    E) A small selection ratio, such as 25:1, means that there are very few applicants from which to select.

13) Suggested guidelines to avoid negative legal consequences include all of the following EXCEPT:
    A) keeping careful records documenting each stage of the selection process.
    B) adequately assessing each applicant's ability to meet performance standards.
    C) checking references very carefully.
    D) rejecting applicants who make false statements on their application forms.
    E) There are no exceptions listed above.

14) A selection ratio is:
    A) the ratio of the total number of applicants to the number of applicants hired.
    B) the ratio of the number of interviews successfully completed to the total number of applicants.
    C) the ratio of the number of offers extended to the total number of applicants.
    D) the cost per hire.
    E) the ratio of the total number of applicants hired to the total number of applicants.

15) Sandeep Gill is the manager of a busy local branch of a provincial credit union, Envirobank. The branch recently had to hire 5 new tellers to meet the rise in demand for branch services. The branch relied mainly on candidate interviews as a selection "tool." Although Sandeep thought he had planned the candidate interviewing process well and had designed effective questions for assessing the candidates, the 3 candidates who were rated the highest in the interview did not meet basic performance expectations following their hire. The primary problem with the selection "tool" chosen and designed by Sandeep is one of:
    A) integrity.
    B) validity.
    C) impression management.
    D) reliability.
    E) There is no problem with this selection "tool."

16) The consistency of scores obtained by a person when he or she is retested on the identical test or an equivalent version is an example of:
    A) construct validity.
    B) reliability.
    C) content validity.
    D) criterion–related reliability.
    E) validity.

17) Each of the following is a potential source of unreliability EXCEPT:
    A) the conditions under which the instrument is administered.
    B) chance response tendencies.
    C) changes within the applicant.
    D) tiredness of the applicant.
    E) There are no exceptions listed above.

18) Answering the question, "Does this predictor measure what it's supposed to measure?" is an assessment of:
    A) differential validity.
    B) aptitude and achievement.
    C) personality and behaviour.
    D) reliability.
    E) validity.

19) The extent to which a selection tool predicts or significantly correlates with important elements of work behaviour is known as:
    A) content validity.
    B) differential validity.
    C) predictive validity.
    D) reliability.
    E) criterion–related validity.

20) Differential validity is:
    A) the accuracy with which a predictor measures what it is supposed to measure.

B) the extent to which a selection tool predicts or significantly correlates with important elements of work behaviour.

C) confirmation that the selection tool accurately predicts the performance of all possible employee subgroups, including white males.

D) the extent to which a selection tool measures a theoretical construct or trait deemed necessary to perform the job well.

E) none of the above.

21) All of the following statements are true EXCEPT:
    A) Selection testing is a common screening device to assess specific job–related skills.
    B) Initial applicant screening involves eliminating candidates lacking the "must have" selection criteria.
    C) The selection process is a one–way street.
    D) Initial applicant screening is generally performed by the HR Dept.
    E) Completing an application form is often part of the online application process.

22) Which of the following is true of preliminary applicant screening?
    A) It may involve selection testing.
    B) It involves eliminating candidates lacking the "nice to have" selection criteria.
    C) It may involve candidate interviews.
    D) Initial applicant screening is generally performed by the line managers.
    E) The use of technology is becoming increasingly popular at this stage of the selection process.

23) Initial applicant screening is typically performed by:
    A) HR professionals.
    B) an external recruitment agency.
    C) computer technology.
    D) voice–response technology.
    E) line managers.

24) Which of the following statements about selection testing is true?
    A) Selection testing generally involves a demonstration of skills.
    B) Testing is more prevalent in small organizations.
    C) Studies have shown that approximately two–thirds of Canadian organizations use tests for hiring.
    D) Personality and aptitude tests are not commonly used for selection purposes.
    E) The use of tests has been declining in recent years.

25) Intelligence tests measure all of the following traits EXCEPT:
    A) numerical ability.
    B) verbal fluency.
    C) memory.
    D) vocabulary.
    E) extrasensory perception.

26) Tests that measure an individual's potential to perform a job, provided he or she is given proper training, are known as:
    A) intelligence tests.
    B) interest inventories.
    C) achievement tests.
    D) personality tests.
    E) aptitude tests.

27) A number of tests commonly used in selection can conveniently be classified according to whether they

measure   each of the following characteristics EXCEPT:
    A) personal attractiveness and suitability.
    B) memory.
    C) motor and physical abilities.
    D) monitoring one's own emotions.
    E) general intellectual abilities.

28) Motor abilities a firm might want to measure include all of the following EXCEPT:
    A) reaction time.
    B) speed of arm movement.
    C) manual dexterity.
    D) spacial visualization.
    E) finger dexterity.

29) The following are physical abilities that an employer might want to measure EXCEPT:
    A) stamina.
    B) lifting strength.
    C) pulling/pushing strength.
    D) verbal abilities.
    E) climbing.

30) Personality tests can measure basic aspects of an applicant's personality, which include all of the following
    EXCEPT:
    A) stability.
    B) dexterity.
    C) motivation.
    D) neurotic tendency.
    E) introversion.

31) A test in which an ambiguous stimulus is presented and the person taking the test is expected to interpret or
    react to it is a common type of:
    A) personality test.
    B) intelligence test.
    C) interest inventory.
    D) achievement test.
    E) aptitude test.

32) The screening tool which is most often used by employers in the selection process is:
    A) working sampling.
    B) assessment centre.
    C) personality test.
    D) interview.
    E) interview and personality test.

33) Which of the following statements about personality testing is true?
    A) The "Big Five" personality dimensions include extroversion, emotional stability, agreeableness,
       conscientiousness, and openness to experience.
    B) Personality tests are not very useful for hiring purposes.
    C) Extroversion is a valid predictor of performance for all occupations.
    D) Attainment of the full potential of personality testing relates primarily to the careful analysis of test
       results.
    E) The predictive power of personality tests is generally quite low.

34) Tests used to measure knowledge and/or proficiency acquired through education, training and experience are known as:
    A) interest inventories.
    B) aptitude tests.
    C) achievement tests.
    D) personality tests.
    E) intelligence tests.

35) Work samples focus on measuring:
    A) physical abilities only.
    B) job performance directly.
    C) expert appraisers' evaluations.
    D) the "Big Five" personality dimensions.
    E) hypothetical situations.

36) Interest inventories are tests that:
    A) measure basic elements of personality.
    B) apply to extroversion and emotional stability.
    C) measure job performance directly.
    D) measure knowledge and/or proficiency.
    E) compare a candidate's interests with those of people in various occupations.

37) The two- to three-day strategy used to assess candidates' management potential is known as:
    A) a managerial aptitude test.
    B) a supervisory interest inventory.
    C) an in-basket exercise.
    D) a leaderless group discussion.
    E) a management assessment centre.

38) Examples of strategies used in a typical assessment centre include all of the following EXCEPT:
    A) objective tests.
    B) an in-basket exercise.
    C) a leaderless group discussion.
    D) on-the-job training.
    E) individual presentations.

39) Assessment centres are:
    A) a tool that assesses management potential using a special room with a one-way mirror.
    B) useful for predicting success in jobs of all levels.
    C) an inexpensive selection strategy.
    D) a better predictor of performance than any other selection tool.
    E) characterized by all of the above.

40) Micro-assessment focuses on:
    A) computer-based questions.
    B) individual performance.
    C) verbal questions.
    D) paper-based questions.
    E) group performance.

41) All of the following are reasons that employers may include a medical examination as a step in the selection

process   EXCEPT:
  A) to reduce absenteeism and accidents.
  B) to establish a baseline for future insurance or compensation claims.
  C) to determine that the applicant qualifies for the physical requirements of the position.
  D) to provide documentation to justify not hiring a qualified individual with a physical disability that would prevent him or her from performing the essential job duties.
  E) There are no exceptions listed above.

42) The purpose of pre–employment substance abuse testing is to:
  A) determine that the applicant qualifies for the physical requirements of the position.
  B) reduce accidents.
  C) avoid hiring employees who would pose unnecessary risks to themselves or others.
  D) test mental abilities.
  E) address absenteeism.

43) All of the following statements about selection interviews are true EXCEPT:
  A) Interviews significantly affect job applicants' views of the job and firm.
  B) The interview is used by virtually all organizations for selection purposes.
  C) Interviews are conducted following testing in a majority of firms.
  D) Interview objectives include providing job applicants with information about expected duties of the position.
  E) Interviews enable the employer to fill in information gaps.

44) All of the following are common interviewer objectives EXCEPT:
  A) providing candidates with information about the job.
  B) selling their skills.
  C) assessing applicants' qualifications.
  D) promoting the organization.
  E) observing interpersonal skills.

45) The interview technique that involves questions being asked as they come to mind is known as:
  A) directive.
  B) mixed.
  C) unstructured.
  D) structured.
  E) sequential.

46) The interview format that may seem quite mechanical to all concerned is known as:
  A) unstructured.
  B) mixed.
  C) structured.
  D) stress–producing.
  E) nondirective.

47) The interview format that yields comparable answers and in–depth insights is known as:
  A) mixed.
  B) situational.
  C) patterned.
  D) stress–producing.
  E) behavioural.

48) Which interview format involves a series of preset questions asked of all candidates and a series of preset

candidat e-specific questions?
      A) mixed   B) nondirective   C) situational   D) structured   E) behavioural

49) A recent study of 92 real employment interviews found that the interviewers using _____ of structure in the interview process evaluated applicant's _____ than those who used unstructured interviews.
    A) mixed levels; more favourably
    B) low levels; less favourably
    C) mixed levels; less favourably
    D) high levels; more favourably
    E) high levels; less favourably

50) Asking an applicant how he or she would handle a situation where his/her manager assigned work with competing deadlines would be an example of which interview technique?
    A) structured   B) behavioural   C) nondirective   D) situational   E) stress

51) While _____ interviews ask interviewees to describe how they would react in a given situation, _____ interviews ask candidates to describe how they did react in that situation in the past.
    A) situational; behavioural
    B) stress; situational
    C) structured; situational
    D) nondirective; behavioural
    E) behavioural,;situational

52) Behavioural questions describe:
    A) various situations experienced in the past.
    B) candidate personality
    C) preset candidate reactions.
    D) hypothetical situations.
    E) future behaviour.

53) An example of a behavioural question is:
    A) What are the skill areas you must develop?
    B) Tell me about a time when you managed a situation requiring negotiation.
    C) If a co-worker hurt her back, what would you do?
    D) What type of work do you want to be doing in five years?
    E) None of the above.

54) An example of a situational question is:
    A) How would you handle an irate boss who was just told that the output in the department was below standard?
    B) What type of computer skills are you proficient in?
    C) Tell me about a time when you had to discipline an employee arriving late for work three days in a row.
    D) Tell me about a time when you managed numerous priorities in a short period of time.
    E) None of the above.

55) A serialized interview occurs when:
    A) a candidate's oral and/or computerized responses are obtained in response to computerized oral and written questions.
    B) each interviewer rates the candidate on a standard evaluation form, and the ratings are compared before the hiring decision is made.
    C) each interviewee only attends one interview.

D) a panel simultaneously interviews several candidates.

E) each interviewer evaluates the applicant from his or her own point of view.

56) Most interviews are administered:

A) simultaneously by several candidates.

B) one on one.

C) on a standard evaluation form.

D) by computers.

E) simultaneously by a group.

57) The interviewing method in which the applicant is interviewed by a number of people at once is known as:

A) serialized.　　　B) behavioural.　　　C) sequential.　　　D) panel.　　　E) mass.

58) Advantages of a panel interview include all of the following EXCEPT:

A) the likelihood of human rights/employment equity violations is greatly reduced.

B) they include varied questions pertaining to each interviewer's area of expertise.

C) there is less likelihood of interviewer error.

D) they require less time, overall.

E) there are no exceptions listed above.

59) When several candidates are interviewed simultaneously by a panel, this is referred to as a _____ interview.

A) sequential　　　B) patterned　　　C) stress　　　D) panel　　　E) mass

60) To comply with human rights laws an interviewer should not ask questions about any of the following EXCEPT:

A) childcare arrangements.

B) marital status.

C) ethnic background.

D) educational qualifications.

E) workers' compensation history.

61) All of the following are common interviewing mistakes EXCEPT:

A) making snap judgments.

B) poor planning.

C) too little talking.

D) asking discriminatory questions.

E) poor knowledge of job.

62) Research findings claim that the interviewer makes up his/her mind about the candidate:

A) during the last few minutes of the interview.

B) before the interview even begins.

C) immediately after the interview.

D) within the first few minutes of the interview.

E) about half-way through the interview.

63) The halo effect related to selection is a:

A) negative initial impression that distorts an interviewer's rating.

B) positive impression made at the end of the interview that will distort an interviewer's rating.

C) negative impression made at the end of the interview that will distort an interviewer's rating.

D) positive initial impression that distorts an interviewer's rating.

E) None of the above.

64) A common interviewing mistake is to make the interview itself mostly a search for:
    A) positive information.
    B) the ideal candidate.
    C) information about medical history.
    D) personal information.
    E) negative information.

65) Interviewers who don't know precisely what the job entails and what sort of candidate is best suited for it usually make their decisions based on:
    A) employment test results.
    B) letters of reference.
    C) incorrect stereotypes.
    D) applicant screening.
    E) candidate responses.

66) Which error is of particular concern from a human rights law perspective?
    A) influence of nonverbal behaviour
    B) too little talking
    C) telegraphing
    D) contrast (candidate–order) error
    E) playing attorney

67) Nonverbal behaviours often account for more than _____ percent of the applicant's rating.
    A) 60   B) 50   C) 40   D) 70   E) 80

68) Research has shown that those rated as more physically attractive than other candidates are also rated as:
    A) equally suitable for employment.
    B) more suitable for employment.
    C) unsuitable for employment.
    D) suitable for temporary employment.
    E) less suitable for employment.

69) According to the 30/70 rule:
    A) interviewers should speak 70 percent of the time and interviewees should speak 30 percent of the time.
    B) interviewers should speak 30 percent of the time and interviewees should speak 70 percent of the time.
    C) interviewees should remain silent 30 percent of the time.
    D) the interview should be structured to begin with 30 minutes of questions from the interviewer followed by 70 minutes of questions from the interviewee.
    E) interviewers should remain silent 30 percent of the time.

70) A hiring manager asks the following question in an interview "This position requires someone skilled in dispute resolution. This is skill you possess isn't it?" This is an example of the interviewing mistake known as:
    A) similar to me bias.
    B) telegraphing.
    C) halo effect.
    D) snap judgments.
    E) contrast error.

71) Hints for conducting an effective panel interview include all of the following EXCEPT:
    A) Listen carefully rather than taking notes.

B) Build rapport.
C) Evaluate the candidate.
D) Plan the interview.
E) Ask questions.

72) Suggestions to ensure that questioning is effective include all of the following EXCEPT:
    A) Listen to the candidate and encourage the full expression of his or her thoughts.
    B) Prepare questions in advance.
    C) Record the candidate's answers briefly but thoroughly.
    D) Interrogate the applicant.
    E) Ask questions in order.

73) Toward the end of the interview, time should be allotted to do all of the following EXCEPT:
    A) Advocate for the firm, if appropriate.
    B) Answer any questions the candidate may have.
    C) Advocate for the position, if appropriate.
    D) Politely advise a candidate if it has been determined that he or she will not be given further consideration.
    E) Thank the interviewee.

74) Which of the following statements about reference checking is true?
    A) Firms are increasingly using reference–checking services to thoroughly check references.
    B) Letters of reference from former employers are viewed very positively.
    C) Only about 10 percent of resumes contain inaccurate information that will be discovered when checking references.
    D) Women are more likely to lie on resumes than men.
    E) Reference checking is generally not worthwhile.

75) Hints for making reference checking more productive include all of the following EXCEPT:
    A) Use an assessment centre.
    B) Use references provided by the applicant as a source for other references.
    C) Use a structured form.
    D) Persist in order to obtain information from the references who are difficult to reach.
    E) Obtain consent for reference checks.

76) Each of the following statements about the legal issues involved in obtaining and providing reference information is true EXCEPT:
    A) As long as reference information is honest, fair, and candid, reference givers are legally protected.
    B) Even if negative information is given, if it is imparted in a fair and honest manner, the reference giver is legally protected.
    C) Many companies are adopting a "no reference" policy.
    D) Failure to check references can lead to negligent or wrongful hiring suits.
    E) The defence of "qualified privilege" protects reference givers, regardless of the circumstances.

77) The immediate supervisor is generally responsible for making the final selection decision. Reasons for this include all of the following EXCEPT:
    A) He or she is often highly skilled in the selection process.
    B) He or she must provide guidance and assistance to the new hire.
    C) It is important that the individual selected fits in with current department members.
    D) If he or she is not committed to the selected individual, that person can easily be set up for failure.
    E) He or she is generally best qualified to assess job knowledge and skills.

78) The best strategy for creating appropriate expectations about the job is:
   A) providing a realistic job preview.
   B) using realistic testing.
   C) giving each applicant a copy of the job description.
   D) using simulations.
   E) providing an in–depth interview.

79) The selection decision–making technique which involves identifying the most valid predictors and weighting them through statistical methods such as multiple regression is called:
   A) multiple–evaluation approach.
   B) benchmark approach.
   C) clinical strategy.
   D) multiple–hurdle strategy.
   E) statistical strategy.

80) All of the following statements pertaining to the final steps in the selection process are true EXCEPT:
   A) Candidates should be given a reasonable length of time to think over the job offer.
   B) The initial offer is made by telephone.
   C) A written offer of employment should always be extended.
   D) The offer specifies the starting salary.
   E) The immediate supervisor generally handles the offer of employment.

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

81) There are legal implications associated with ineffective or incompetent selection.

82) In many instances, a small selection ratio also means a low quality of recruits.

83) Reliability is the accuracy with which a predictor measures what it purports to measure.

84) A hiring manager at a law firm asked the law student applying for an articling position with the firm to demonstrate how he would use on–line resources to locate the latest version of a statute. This is an example of high content validity.

85) Intelligence, verbal skills, analytical ability, and leadership skills are examples of constructs.

86) Criterion–related validity is the extent to which a selection instrument, such as a test, samples the knowledge and skills needed to perform the job.

87) IQ tests are tests that measure a single "intelligence" trait.

88) Management assessment centres include activities and exercises that involve interviews and individual presentations.

89) Companies have no right to request information regarding the nature of a candidate's disability, either from the applicant or the physician performing the medical exam.

90) Complicating the entire issue of drug testing are employers' responsibilities under health and safety legislation.

91) The hiring manager asked a candidate how he would conduct a performance appraisal interview for an underperforming report. This is an example of a behavioural interview question.

92) It is common for interviewers to turn interviews into a search for negative information.

93) Selection is one of the major HR activities by which employment equity goals and timetables are reached.

94) A final selection decision should not be reached until all assessments, including reference checking, have been completed.

95) Most organizations use the statistical strategy to arrive at a selection decision, since this strategy is generally more reliable and valid.

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

96) Discuss the legal implications associated with ineffective or incompetent selection.

97) You are the Director of Human Resources in an accounting firm and are preparing to advise the hiring manager in interviewing candidates for articling positions with the firm. You've already identified key selection criteria for the position, which include: excellent analytical skills, ability to work under pressure and the ability to interact well with clients and coworkers. Generate <u>one</u> situational interview question **and** <u>one</u> behavioural interview question for the positions. Be sure to explain how each of the questions is relevant to any of the selection criteria identified.

98) Selection tools must be both reliable and valid. Explain these terms.

99) Differentiate between structured, semi–structured/mixed, and unstructured interviews.

100) List and discuss five common interviewing mistakes:

101) Describe the legal issues involved in obtaining and providing reference information.

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

52) A
53) B
54) A
55) B
56) B
57) D
58) E
59) E
60) D
61) D
62) B
63) D
64) E
65) C
66) A
67) E
68) B
69) B
70) B
71) A
72) D
73) D
74) A
75) A
76) E
77) A
78) A
79) E
80) E
81) TRUE
82) TRUE
83) FALSE
84) FALSE
85) TRUE
86) TRUE
87) TRUE
88) TRUE
89) TRUE
90) TRUE
91) TRUE
92) TRUE
93) TRUE
94) TRUE
95) TRUE
96) **Human rights legislation** in every Canadian jurisdiction prohibits discrimination in all aspects and terms and conditions of employment on such grounds as race, religion or creed, colour, marital status, gender, age, and disability. Firms must ensure that all of their selection procedures are free of both intentional and systemic discrimination. Failure to do so may result in human rights complaints.

Those organizations required by law to implement an **employment equity** plan must ensure that all of their employment systems, including selection, are bias–free and do not have an adverse impact on members of four designated groups: women, visible minorities, Aboriginal Peoples, and persons with disabilities.

Another legal implication is employer **liability for negligent or wrongful hiring.** Courts are increasingly finding

empl liable when employees with unsuitable backgrounds are hired and subsequently engage in criminal activities
oyers falling within the scope of their employment.

97) <u>Situational interview question</u>:
• The question must ask a hypothetical situation. It should also ask one or more of the competencies listed (i.e., have analytical skills, work under pressure, interact well).
• Example: "Assume you got a call from one of your clients at 1 a.m. Sunday. The client said he had something he needed to discuss immediately. You were in bed when you received the call. How would you handle the client's request? The question should set up a specific hypothetical situation.
• For the relevance of the question, the there must be justification that the question examines one or more of the competencies. (In the case of the example, the question tests knowledge of best practices in handling client interactions and, to a certain extent, ability to work under pressure.)
<u>Behavioural interview question</u>:
• The question must ask about the candidate's past experience.
• Example: "Tell me about a time when you had a dispute or disagreement with a coworker. How did you resolve the issue?"
• For the relevance of the question, the there must be justification that the question examines one or more of the competencies. (In the case of the example, the question tests ability to interact well with coworkers and resolve differences.

98) **Reliability** refers to the degree to which interviews, tests, and other selection procedures yield comparable data over a period of time; in other words, the degree of dependability, consistency, or stability of the measures used. **Validity** refers to the accuracy with which a predictor measures what it is supposed to measure. In the context of selection, validity is an indicator of the extent to which data from a selection technique, such as a test or interview, are related to or predictive of subsequent performance on the job.

99) An unstructured interview is an unstructured, conversational–style interview, where the interviewer pursues points of interest as they come up in response to questions. A structured interview is an interview following a set sequence of questions. A mixed, or semi–structured, interview is an interview format that combines the structured and unstructured techniques.

100) Poor planning – conducted without planning and without prepared written questions in advance.
Snap judgments – jump to conclusions during the first few minutes of the interview or before it begins, based on candidate's test scores or resume.
Negative emphasis – interviewers may be more influenced by unfavourable than favourable information
Poor knowledge of job – interviewers may not know what the job entails, and what type of candidate is best suited for job
Contrast error – order in which applicants are seen can affect how they are rated

101) Failure to check references can lead to **negligent or wrongful hiring suits** that may involve significant damages. In providing reference information, the concept of **qualified privilege** is important. Generally speaking, if comments are made in confidence for a public purpose, without malice, and are honestly believed, the defence of "qualified privilege" exists. Thus, if honest, fair and candid references are given, then this doctrine generally protects the reference giver, even if negative information is imparted about the candidate. Nevertheless, with the fear of civil litigation increasing, more Canadian companies are adopting a "no reference" policy regarding previous employees or are only willing to confirm the position held and dates of employment especially in the case of discharged employees.

Chapter 8

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

1) Once employees have been recruited and selected, the next step would be:
    A) affirmative action and equal access to a job.
     B) discipline and counselling.
    C) rules and procedures.
    D) interviews by coworkers.
    E) orientation and training.

2) You have been hired as the new Executive Director of a child and family services agency and are considering implementing an employee orientation program at this organization. The benefits that this new program will likely bring to the organization include:
    A) legal compliance.
     B) affirmative action.
    C) promoting workforce diversity.
    D) making employees more productive more quickly and establishing a foundation for ongoing performance management.
    E) making employees more productive more quickly.

3) Recent research indicates that implementing a comprehensive onboarding program in a corporation carries the following additional direct benefit:
    A) improving employee perceptions of management's leadership abilities.
     B) improving management's leadership ability.
    C) improving employee perceptions of management's leadership abilities and reducing employee turnover.
    D) increasing work–life balance for employees.
    E) increasing customer loyalty.

4) The on–going process of instilling in all employees the prevailing attitudes, standards, values, and patterns of behaviour that are expected by the organization and its departments is:
    A) performance appraisal.
     B) affirmative action.
    C) socialization.
    D) job evaluation.
    E) culture.

5) The state which results from the discrepancy between what the new employee expected from his or her new job and the realities of it is:
    A) affirmative action.
     B) reality shock.
    C) job instruction training.
    D) mentoring.
    E) socialization.

6) Effective means to connect the firm to employees who have been hired but have not yet started in the workplace include:
    A) voicemail training.
     B) no means are recommended.
    C) performance management.
    D) invitations to meet with mentors.
     E) communications through newsletters and invitations to meet with mentors.

7) You have just been hired as the Director of Human Resources at a sportswear retailer. The employee handbook states that "all employees will have the benefits listed in the handbook for as long as they are employed with the company." In revising the contents of the employee handbook it is an important component of your role to be aware of the following;
    A) it is a best practice to keep benefits static over time.
    B) employee handbooks should not form part of the orientation process.
    C) it should not be a job requirement that employees review the handbook.
    D) in employee dismissal situations courts rarely review handbooks.
    E) courts have found certain terms in employee handbooks to constitute terms of the employment contract. The company is at legal risk if it decides to alter the benefits package in the future.

8) A new employee's supervisor orients the employee by:
    A) conducting an appraisal session.
    B) explaining the retirement plan.
    C) taking the entire work group out to lunch.
    D) explaining the exact nature of the job.
    E) conducting an exit interview.

9) Targus, an engineering consulting company based in Vancouver, Canada, has opened new offices in Hong Kong and Singapore. Targus wishes to hire Asian–born staff for these new offices and would also like to increase the percentage of aboriginal persons it hires as engineering consultants in British Columbia and Saskatchewan. Given this shift in hiring practices, designing the orientation program for the company will present the following challenge:
    A) hiring a diverse workforce creates a new corporate culture.
    B) the challenge of union vs non–union employees.
    C) the main leaning style of new employees will be auditory.
    D) orienting employees from a different background poses a special challenge. The values of the organization may be new to them.
    E) there is no challenge.

10) The following may be problems with an orientation program EXCEPT:
    A) Too much information is provided in a short time.
    B) Orientation provided by the HR department is too broad to be meaningful.
    C) New employees are inundated with forms to fill out.
    D) The immediate supervisor provides a few details at a time.
    E) Little or no orientation is provided.

11) One approach to the evaluation of orientation programs is:
    A) quality circles.
    B) cost–benefit analysis.
    C) regression analysis.
    D) case studies.
    E) Markov analysis.

12) An important key to successful executive integration is:
    A) the realization that executives rarely experience reality shock.
    B) stressing the importance of listening as well as demonstrating competency and identifying position specifications.
    C) to let executives integrate on their own initiative.
    D) stressing the importance of listening as well as demonstrating competency.
    E) norms of the organization must be understood before the first day of work.

13) Integration at senior levels in the organization requires an ongoing process that can continue for months as the new executive learns about:
    A) senior management.
    B) the organizational structure.
    C) socialization.
    D) how decisions are made and who holds what type of power.
    E) performance appraisals.

14) The process of teaching new employees the basic skills they need to perform their jobs is:
    A) coaching.
    B) training.
    C) affirmative action.
    D) orientation.
    E) recruiting.

15) Development is training of a:
    A) long–term nature.
    B) specific strategic nature.
    C) short–term nature.
    D) immediate nature.
    E) technical nature.

16) Training is part of an organization's:
    A) business plan.
    B) strategic plan.
    C) business need.
    D) tactical plan.
    E) immediate plan.

17) In today's service–based economy, a company's most important assets are often:
    A) machinery.
    B) highly knowledgeable workers.
    C) cash.
    D) plant facilities.
    E) office premises.

18) More employers today are also taking advantage of the fact that training can strengthen employee:
    A) absenteeism.
    B) quality.
    C) turnover.
    D) complacency.
    E) commitment.

19) Training is essentially a (n):
    A) assessment process.
    B) testing process.
    C) memorizing process.
    D) learning process.
    E) technical process.

20) People have three main learning styles. One is:

A) presenting.　　　B) visual.　　　C) organizing.　　　D) similarities.　　　E) differences.

21) Negligent training occurs when an employer:
    A) does not do a validation process.
    B) fails to develop an employee for long–term opportunity.
    C) does not evaluate the training.
    D) does not do a needs analysis.
    E) fails to train adequately and an employee subsequently harms a third party.

22) Purposes of training needs analysis include the following EXCEPT:
    A) identify specific job performance and skills needed.
    B) analyze skills and needs of prospective trainees.
    C) develop reasonable performance objectives.
    D) ensure employment equity goals are met.
    E) develop specific knowledge objectives.

23) The following are steps in an employee's training program EXCEPT:
    A) assessing training needs.
    B) designing the training program.
    C) validating the training program.
    D) evaluating the training.
    E) attending the orientation program.

24) The following are steps in an ideal training program EXCEPT:
    A) summarize and review.
    B) validation.
    C) evaluation.
    D) needs analysis.
    E) instructional design.

25) It is suggested that training programs are designed to facilitate the transfer of learning from the training site
    to the:
    A) job site.
    B) classroom.
    C) trainee's examination paper.
    D) vestibule school.
    E) trainee.

26) Effective pre–training preparation includes:
    A) employee orientation.
    B) reality shock.
    C) employee testing.
    D) a realistic job preview.
    E) creating a perceived need for training in the mind of participants.

27) Trainees learn best when they learn at:
    A) the pace set by their supervisor.
    B) a country resort.
    C) their own pace.
    D) the pace set by their trainer.
    E) an off–the–job setting.

28) Under Canadian human rights legislation, several aspects of training programs must be assessed with an eye toward the program's impact on:
    A) reverse discrimination.
    B) white males.
    C) highly educated workers.
    D) designated group members.
    E) company profits.

29) The legal aspects of training may require showing that the admissions procedures are:
    A) reviewed regularly.
    B) reliable.
    C) valid.
    D) external.
    E) invalid.

30) Members of designated groups should have as much chance of successfully completing the training program as do others to prevent any:
    A) on-the-job training.
    B) unreliable results.
    C) grievance actions.
    D) discrimination.
    E) job instruction training.

31) When an employer fails to train adequately this is referred to as:
    A) affirmative action.
    B) on-the-job training.
    C) negligent training.
    D) job instruction training.
    E) simulated training.

32) To reduce the risk of negligent training accusations, an employer should:
    A) hire consultants to do training.
    B) train all employees who work with dangerous equipment, materials, or processes.
    C) offer basic training programs only.
    D) accept all applicants for training programs.
    E) never change the training program content.

33) The first step in a training program is to determine:
    A) training evaluation.
    B) job instruction training.
    C) the number of trainees.
    D) training needs.
    E) on-the-job training.

34) A technique for determining the training needs of newly-hired employees is:
    A) task analysis.
    B) observations.
    C) performance analysis.
    D) testing.
    E) personnel records.

35) No matter what training needs assessment technique is used to assess training effectiveness, it is wise to seek

input   from:
    A) training journals.
    B) other companies.
    C) managers and supervisors.
    D) professional trainers.

    E) employees.

36) It is common for organizations to hire and train entry–level workers who are:
    A) inexperienced.
    B) very intelligent.
    C) highly experienced.
    D) highly motivated.
    E) highly educated.

37) The list of specific duties and skills required on the job, which are used in determining the training required for performing the job, are found in:
    A) job standards and specialization.
    B) job descriptions and job specifications.
    C) equal access and affirmative action.
    D) job instruction and on–the–job training.
    E) performance standards.

38) The type of information that is found on an employer task analysis record form includes the following EXCEPT:
    A) task list.
    B) quantity, quality standards.
    C) skills not required to learn.
    D) how often performed.
    E) performance conditions.

39) In a task analysis record form, the task list defines the jobs:
    A) primary tasks.
    B) supplemental tasks.
    C) secondary tasks.
    D) supplementary tasks.
    E) main tasks and subtasks.

40) In column three of a task analysis record form the standards of performance should be:
    A) tightly woven.
    B) as loose as possible.
    C) stated in measurable terms.
    D) randomly selected.
    E) estimated.

41) A technique for determining the training needs of current employees is:
    A) task analysis.
    B) training analysis.
    C) performance analysis.
    D) questionnaires.
    E) motivation analysis.

42) The heart of the task analysis record form is the column in which:
   A) the competencies and specific skills or knowledge required for each of the tasks and subtasks are listed.
   B) the task is listed.
   C) the standards of performance for each task and subtask are listed.
   D) the job's main tasks and subtasks are listed.
   E) there is an indication of whether the task is learned best on- or off-the-job.

43) The last column of the task analysis record form indicates whether the task is best learned from:
   A) on-the-job training.
   B) vestibule training.
   C) job instruction training.
   D) simulated training.
   E) on- or off-the-job training.

44) The technique used when verifying whether there is a significant performance deficiency, and determining if that deficiency should be rectified through training or by some other means (such as changing the machinery or transferring the employee), is called:
   A) task analysis.
   B) motivation analysis.
   C) performance analysis.
   D) training analysis.
   E) employee analysis.

45) The first step in performance analysis is to appraise the employee's performance, since to improve it, the firm must first determine the person's current performance compared to:
   A) work group performance.
   B) what it should be.
   C) managerial performance.
   D) what it really is.
   E) co-workers' performance.

46) The heart of performance analysis is distinguishing between:
   A) good and bad employees.
   B) employee training levels.
   C) "can't do" and "won't do" problems.
   D) experience levels of employees.
   E) different supervisory practices.

47) Effective training needs analysis results in:
   A) task analysis.
   B) performance standards.
   C) concrete, measurable training objectives.
   D) performance analysis.
   E) excellent job performance.

48) Training objectives provide a focus for the efforts of the trainer and the trainees, and:
   A) input for Markov analysis.
   B) a benchmark for evaluating the success of the training program.
   C) data for the task analysis record form data.
   D) orientation topics.
   E) performance analysis techniques.

49) When an employee actually learns a job by performing it, it is called:
    A) computerized training.
    B) on–the–job training.
    C) job instruction training.
    D) vestibule training.
    E) distance learning.

50) Advantages of on–the–job training include the following EXCEPT:
    A) minimal or no use of classrooms or programmed learning devices.
    B) self–paced training.
    C) being relatively inexpensive.
    D) learning while producing.
    E) trainees get quick feedback.

51) A structured process by which individuals become skilled workers through a combination of classroom instruction and on–the–job training is referred to as:
    A) special assignment training.
    B) computerized training.
    C) job instruction training.
    D) apprenticeship training.
    E) vestibule training.

52) Many jobs consist of a logical sequence of steps and are best taught step by step. This type of training is called:
    A) process training.
    B) job instruction training.
    C) computerized training.
    D) on–the–job training.
    E) vestibule training.

53) Audiovisual training techniques are useful in the following situations EXCEPT:
    A) when a training method less expensive than conventional lectures is needed.
    B) when it is too costly to move trainers from place to place.
    C) when training is going to be used organization–wide.
    D) when stop–action, instant–replay, or fast– or slow–motion capabilities are needed.
    E) when trainees must be exposed to events that are not easily demonstrated in live lectures.

54) A training method that joins two or more distant groups using a combination of audio and visual equipment is called:
    A) videoconferencing.
    B) on–the–job training.
    C) programmed learning.
    D) computer program training.
    E) job instruction training.

55) Before getting in front of a camera for videoconferencing, the instructor should:
    A) visit other cities where learners will be located.
    B) arrive just before going on camera.
    C) participate in computerized training.
    D) practice vestibule training.
    E) prepare a training manual for learners.

56) A systematic method of training that is used for teaching job skills involving presenting questions or facts, allowing the trainee to respond, and giving the trainee immediate feedback on the accuracy of his/her answers is known as:
    A) immediate feedback learning.
    B) on–the–job training.
    C) responsive learning.
    D) systematic learning.
    E) programmed learning.

57) The following are functions of programmed learning EXCEPT:
    A) allowing the person to respond.
    B) presenting questions or problems to the learner.
    C) presenting facts to the learner.
    D) permitting the trainee to perform on–the–job.
    E) providing feedback on the accuracy of his or her answers.

58) A training technique in which trainees learn on the actual or simulated equipment they will use on–the–job, but the trainees are actually trained off–the–job, is known as:
    A) programmed learning.
    B) vestibule or simulated training.
    C) off–the–job training.
    D) on–the–job training.
    E) actual training.

59) A training technique where trainees are presented with integrated computerized simulations and the use of multimedia, including videotapes, to help the trainee learn how to do the job is called:
    A) on–the–job training.
    B) videoconferencing.
    C) job instruction training.
    D) computer–based training.
    E) coaching or mentoring.

60) Computer–based training programs (CBT) are beneficial in the following ways:
    A) instructional consistency.
    B) increased trainee motivation.
    C) decreased content complexity.
    D) increased auditory learning.
    E) instructional consistency and flexibility of scheduling for the trainee.

61) "Learning management systems" are:
    A) learner support tools.
    B) focused on the logistics of managing learning.

    C) educational strategies.
    D) able to deliver personalized content in small "chunks."
    E) "blended learning systems."

62) Web–based training costs about _____ less than traditional classroom–based training.
    A) 40%   B) 80%   C) 50%   D) 20%   E) 5%

63) Tech Solutions Inc. is a software development firm that is considering implementing a Web–based training program for experienced software developers who will be working on a new program for the company. Tech

Solutions the training program students to be from its offices located in Toronto, Canada Shang Hai, China, and Kuala
wishes Lumpur, Malaysia. This E--learning training technique is ideal for the following reasons:
A) it is "blended learning."
B) it is only slightly less costly than traditional classroom based training.
C) research shows students do not have to be highly motivated to complete the training.
D) there is no instructional consistency.
E) it provides these busy professionals with flexibility in scheduling training sessions.

64) Literacy training improves bottom--line performance through:
A) programmed learning.
B) outside professional teachers.
C) lower costs.
D) employer discipline processes.
E) computer--based training.

65) With a work force that is becoming increasingly diverse, many more firms find they must implement:
A) value training programs.
B) teamwork training programs.
C) computer--based training.
D) diversity training programs.
E) experimentation training programs.

66) Cross--cultural communications training covers:
A) history of other nations.
B) workplace cultural etiquette and interpersonal skills.
C) T--groups.
D) computer--based simulations.
E) literacy training.

67) Cultural sensitivity training includes:
A) audiovisual techniques.
B) T--groups.
C) sensitizing employees to the views of different cultural groups toward work.
D) language training.
E) on--the--job training.

68) More and more companies are finding it necessary to compete based on:
A) the quality of their service.
B) union problems.
C) production bottlenecks.
D) unity--of--command principles.
E) discount prices.

69) The basic aim of customer service training is to:
A) train in teams.
B) use CBT training.
C) use online training.
D) train all employees to have excellent knowledge of the organization.
E) emphasize that "the customer is always right."

70) You have chosen the instructional design for the new training program you are responsible for. In order to
ensure that the training program will meet its objectives it is important to do the following before

impleme nting the program company–wide:
    A) conduct a pilot study with a small group of employees and assess the results.
    B) conduct a job analysis.
    C) do a needs assessment.
    D) assess employee socialization.
    E) decide whether computer–based training is appropriate.

71) Recent research has identified critical competencies required to succeed in the global economy. They are:
    A) business literacy.
    B) focusing and mobilizing the business.
    C) engaging and challenging other people.
    D) understanding and valuing oneself.
    E) all of the above.

72) Best practices in evaluation of training involve the following:
    A) evaluating trainees reactions to the program.
    B) job evaluation.
    C) reviewing orientation outcomes.
    D) evaluating trainees reactions to the program and assessing whether the trainees behaviour on the job has changed.
    E) running a pilot study.

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

73) Employee orientation refers to the discrepancy between what the new employee expects from his/her new job and the realities of it.

74) Orientation involves giving new or present employees the skills they need in order to perform their jobs.

75) An employee handbook is never considered to represent a contract with the employee.

76) Executives typically do not participate in formal orientation activities.

77) Management development is training of a more long–term nature.

78) Executive integration is of critical importance to a productive relationship between a new executive and the business.

79) Training is essentially a learning process.

80) The first step in training is to determine what training is required.

81) Task analysis is a detailed study of a job to identify the skills required so that an appropriate training program may be instituted.

82) Job analysis specifies what the trainee will be able to accomplish after successfully completing the training program.

83) On–the–job training involves having a person learn a job by actually working at it.

84) The coaching method of on–the–job training is often used to train top–management levels.

85) On–the–job training requires facilities like classrooms, programmed learning devices, and textbooks, and

thus can   become expensive.

86) A useful step–by–step instruction approach for a trainer giving a new employee on–the–job training includes performance tryout as the first step.

87) When there is a need to expose trainees to events not easily demonstrable, it is best to use audiovisual techniques.

88) Simulated training is a technique in which trainees learn on actual equipment.

89) E–learning is the delivery and administration of learning opportunities and support via videoconferencing to enhance employee performance.

90) Diversity training simply involves translating existing training programs into other languages.

91) Only the employees and no supervisors should be involved in managing diversity.

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

92) Identify the five steps in the training and development process.

93) You have recently been hired as the Human Resources Director of a retailer operating across Canada. Discuss the legal aspects of training that you should consider prior to designing the firm's new training program.

94) You have recently been hired as the Human Resources Director of a retailer operating across Canada. Discuss the main techniques for determining training requirements that you should consider prior to designing the firm's new training program.

95) You are responsible for designing the training program for the organization you have just joined. You have determined the training needs of the employees. Identify and explain what you must do next, prior to considering instructional design.

96) Briefly discuss the three major types of e–learning.

97) Identify and explain the basic categories of training outcomes or effects that can be measured.

98) Identify common problems that arise with orientation programs. What should the organization do to assess whether these problems are occurring with its program?:

99) Research has shown that the effectiveness of training is enhanced by considering different learning styles. Identify three main learning styles and discuss what research has shown to be best practice in incorporating learning styles in to the training process.

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

52) B
53) A
54) A
55) E
56) E
57) D
58) B
59) D
60) E
61) B
62) C
63) E
64) C
65) D
66) B
67) C
68) A
69) E
70) A
71) E
72) E
73) FALSE
74) TRUE
75) FALSE
76) TRUE
77) TRUE
78) TRUE
79) TRUE
80) TRUE
81) TRUE
82) FALSE
83) TRUE
84) TRUE
85) FALSE
86) FALSE
87) TRUE
88) TRUE
89) FALSE
90) FALSE
91) FALSE
92) Needs analysis; instructional design; validation; implementation; and evaluation and follow–up.
93) It is illegal to discriminate against employees on a number of grounds, including a person's age, race, sex, religion, or national origin. Training programs must be assessed regarding their admission and completion requirements to ensure that no discrimination is present. The impact of the program's admission and completion requirements on designated groups under employment equity legislation must also be assessed.

Negligent training occurs when an employer fails to train properly, and an employee subsequently harms a third party. Employees can also claim that an employer was negligent when inadequate training results in discipline for safety infractions or dismissal for poor job performance.
94) **Task analysis** is an analysis of the job's requirements to determine training required. It is appropriate to determine the training needs of employees who are **new** to their jobs.

Performance analysis involves appraising the performance of **current** employees to determine if training could reduce performance problems like excess scrap or low output.

95) establishing concrete and measurable training objectives. These objectives should identify what the trainee should be able to accomplish after successfully completing the training program. They provide a focus for the effort of the trainer and the trainee and a benchmark for evaluating the success of the program.

96) Computer–based training involves presenting trainees with integrated computerized simulations and the use of multimedia to help them interactively to increase their skills. Online/Web–based training allows access to training for employees to learn what they want, when they want, and where they want. Electronic performance support systems (EPSS) are computer–based job aids, or sets of computerized tools and displays, that automate training, documentation, and phone support.

97) **Reaction –** evaluate trainees' reactions to the program.
Learning – test the trainees to determine if they learned principles, skills, and facts.
Behaviour – assess whether trainees' behaviour on the job changed because of the training program.
Results – measure the performance–related results that were achieved.

98) Common problems include: providing too much information in a short time, omitting essential information so that employees begin work without a good understanding of what is expected of them, the information provided may be too broad to be meaningful to a new employee. The organization should evaluate the program. Approaches to evaluation include: surveying new employees for their reaction to the program, reviewing new employees to assess progress in their understanding and acceptance of the beliefs, values, and norms of the organization, performing a cost/benefit analysis.

99) the three main learning styles are auditory, visual, and kinesthetic. Best practices include presenting the trainees with an overall picture of the material to be presented; maximizing the similarity between the training situation and the work situation; immediately reinforcing correct responses; providing preparatory information that will help to set trainees expectations about the events and the consequences of actions that are likely to occur in the training environment.

Chapter 9

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

1) The deliberate process through which an employee becomes aware of personal career–related attributes and the lifelong series of activities that contribute to his or her career fulfillment is known as:
   A) empowerment.
   B) a career cycle.
   C) career planning and development.
   D) the growth stage of the career cycle.
   E) the exploration stage of the career cycle.

2) Young is the new Director of Human resources at a consulting engineering company. She wishes to implement career management initiatives and has been asked by the CEO why this would be of benefit to the business. She should respond as follows:
   A) this increases employee commitment.
   B) this promotes compliance with employment equity laws.
   C) this assists directly in human resource planning.
   D) this reduces turnover and increases employee commitment.
   E) this reduces turnover.

3) Your colleague wishes to find a position with another employer and has asked you to define what is meant by "networking" as a career development tool. You advise her as follows:
   A) personal networking involves speaking to external professional contacts about career goals but not to colleagues within the organization.
   B) the objective is to let people know about background and career goals and to share information so the job seeker benefits.
   C) it involves asking a contact for a job.
   D) the objective is to provide information so the employer can decide if the job seeker is the right candidate.
   E) the objective is to let people know about background and career goals and to share information so both parties benefit.

4) Developmental activities are:
   A) providing educational and training resources required to help employees identify career–related progress.
   B) providing educational and training resources required to help employees identify their career potential.
   C) providing educational and training resources required to help managers identify job rotations.
   D) providing on the job training.
   E) providing educational and training resources required to help employees identify job–sharing opportunities.

5) Career–oriented firms stress career–oriented appraisals that link past performance and:
   A) training resources.
   B) career preferences and developmental needs.
   C) teamwork skills.
   D) fundamental skills.
   E) the internal job posting system.

6) A series of work–related positions, paid or unpaid, that help a person grow in job skills, success, and fulfillment is:
   A) a career.   B) a job.   C) a position.   D) work.   E) a profession.

7) A lifelong series of activities (such as workshops) that contributes to a person's career exploration, establishment, success, and fulfillment is:
   A) career development.
   B) a job seminar.
   C) empowerment.
   D) product life-cycles.
   E) retraining.

8) You are a consultant that has been hired by a large retailer to lead a workshop for management trainees on the topic of career planning and development. Which of the following do you advise the trainees are the required skills for an employee accepting responsibility for his or her career?
   A) goal orientation, networking
   B) career planning, self-assessment
   C) self-motivation, effective time management
   D) self motivation, independent learning, effective time and money management, self-promotion
   E) entrepreneurialism, networking, money management

9) The employer performs the following career development functions:
   A) manages employees' careers.
   B) acts as coach and appraiser.
   C) is altruistic.
   D) offers career information.
   E) provides a formal career path.

10) The manager performs the following career development functions EXCEPT:
   A) shielding the employee from organizational resources and career options.
   B) generating career options.
   C) giving feedback.
   D) offering organizational support.
   E) listening to and clarifying the individual's career plans.

11) The key factors in employee retention today are:
   A) an organizational culture that values and nurtures talented employees and fair processes in "people' decisions.
   B) an organizational culture that values and nurtures talented employees.
   C) employees who understand what motivates them.
   D) fair processes in "people" decisions.
   E) lifelong learning opportunities.

12) The stages through which a person's career evolves is referred to as a(n):
   A) growth cycle.
   B) exploration cycle.
   C) development cycle.
   D) life cycle.
   E) career cycle.

13) The stage of one's career, including the period from birth to age 14 during which the person develops a self-concept by identifying with and interacting with other people such as family, friends, and teachers, is called the:
   A) adolescent stage.
   B) maintenance stage.
   C) childhood stage.

D) growth stage.

E) interaction stage.

14) The stage of one's career, including the period from around ages 15 to 24 during which a person seriously explores various occupational alternatives, attempting to match these alternatives with his/her interests and abilities, is called the:

A) growth stage.

B) exploration stage.

C) maintenance stage.

D) establishment stage.

E) alternative stage.

15) The stage of one's career, including the period roughly from ages 24 to 44 that is the heart of most people's work lives, is called the:

A) interaction stage.

B) maintenance steps.

C) exploration stage.

D) adult stage.

E) establishment stage.

16) The stage of one's career, including the period from about ages 45 to 65 during which the person secures their place in the world, is called the:

A) decline stage.

B) stabilization stage.

C) midcareer stage.

D) secure stage.

E) maintenance stage.

17) The stage of one's career, including the period during which many people are faced with the prospect of accepting reduced levels of power and responsibility and having to accept the new roles of mentor and confidante for those who are younger, is called the:

A) maintenance stage.

B) decline stage.

C) consultant stage.

D) stabilization stage.

E) mentor stage.

18) A person with strong social orientation might be attracted to careers that entail interpersonal rather than intellectual or physical activities and to occupations such as:

A) social work.

B) accountant.

C) professor.

D) contemporary artist.

E) research chemist.

19) The following are personality types that John Holland found through his research, EXCEPT:

A) social orientation.

B) vocational orientation.

C) enterprising orientation.

D) investigative orientation.

E) realistic orientation.

20) The skills needed to be successful in a particular occupation are referred to as:
    A) trade skills.
    B) life skills.
    C) occupational skills.
    D) aptitudes.
    E) job skills.

21) A person's aptitudes, such as intelligence and mathematical ability, are often measured with:
    A) intelligence testing.
    B) career testing.
    C) talent testing.
    D) the general aptitude test battery.
    E) an essay on their most enjoyable occupational task.

22) A concern or value that a person who is engaged in career planning will not give up if a choice must be made is referred to as a(n):
    A) value anchor.
    B) anchor.
    C) skill.
    D) career anchor.
    E) planning anchor.

23) Yung made a choice to leave a large management consulting firm she had worked at for 10 years to become the Executive Director of a newly established non profit association, ChildAid, which is dedicated to helping children living in poverty. She had been volunteering with the organization prior to become the Executive Director as she was inspired by the organization's mission. ChildAid has enough funds to give her a very modest salary for a year. She must engage in vigourous fundraising efforts to enable the organization to continue paying her salary beyond 1 year. Yung most likely has the following career anchors:
    A) independence and lifestyle.
    B) service/ dedication.
    C) creativity and autonomy.
    D) service/dedication and security.
    E) technical/functional.

24) According to Schein, people who had a strong technical/functional career anchor tended to avoid decisions that would drive them toward:
    A) technical work.
    B) general management.
    C) certified public accountancy.
    D) mechanical engineering.
    E) specialized management.

25) Renu made a choice to leave a mid–sized law firm and start her own law practice where she is the named principal in the firm. It will take her at least a year to pay back the loan she has taken out in anticipation that her practice will be successful. She will work very long work hours until she establishes a good client base and gains sufficient funds to hire support staff. Renu values that she now chooses which clients to accept work from and which area of law to practice in. Renu most likely has the following career anchors:
    A) lifestyle.
    B) technical/functional.
    C) creativity and autonomy and independence.
    D) service/dedication and autonomy.
    E) service/ dedication and security.

26) Which of the following is true of mentoring programs?
    A) Research shows no significant correlation to employee commitment.
    B) They are required in order to motivate senior employees to mentor.
    C) They provide benefits to protégés only.
    D) They are costly to implement.
    E) An effective program supports organizational strategy by retaining future leaders.

27) Edgar Schein identified the following career anchors EXCEPT:
    A) managerial competence.
    B) insecurity and inexperience.
    C) technical/functional.
    D) security.
    E) autonomy and independence.

28) People who are driven by the need to be on their own, free of the dependence that can arise when working in
    a large organization where promotions, transfers, and salary decisions make them subordinate to others,
    have a career anchor of:
    A) security.
    B) technical and functional.
    C) autonomy and independence.
    D) creativity.
    E) managerial competence.

29) Consultants, professors of business, freelance writers, and proprietors of small retail businesses tend to be
    identified with the career anchor of:
    A) security.
    B) creativity and intuition.
    C) technical and functional.
    D) managerial competence.
    E) autonomy and independence.

30) According to Schein, graduates who are mostly concerned with long-run career stability have a career
    anchor of:
    A) creativity.
    B) technical and functional.
    C) security.
    D) managerial competence.
    E) autonomy and independence.

31) For the new employee, a period during which his or her initial hopes and goals first confront the reality of
    organizational life and of the person's talents and needs is known as:
    A) job evaluation.
    B) performance evaluation.
    C) career adjustment.
    D) reality testing.
    E) probationary time.

32) Most experts agree that one of the most important things that an employer can do is to provide new
    employees with:
    A) computer-oriented first jobs.
    B) challenging first jobs.

C) high–pressure first jobs.

D) slow–paced first jobs.

E) comfortably paced first jobs.

33) Providing recruits with realistic job previews regarding what to expect should they be selected to work in the organization can be an effective way to minimize:

A) reality shock.

B) absenteeism.

C) the Pygmalion effect.

D) workplace accidents.

E) social loafing.

34) Hanan is the manager of a busy branch of a credit union. She has recently hired new staff and has noticed that the more work she gives to them and the more she expects of them the better they perform. This relationship is referred to as the:

A) deadwood effect.

B) Pygmalion effect.

C) expectation effect.

D) demand effect.

E) supportive effect.

35) A planned learning event in which participants are expected to be actively involved, completing career planning exercises and inventories and participating in career skills practice sessions is called a(n):

A) career planning workshop.

B) lecture method of training.

C) job inspection training.

D) organization development program.

E) strategic planning exercise.

36) An activity during a career planning workshop in which individual employees actively analyze their own career interests, skills, and career anchors is called a:

A) self–assessment activity.

B) career performance appraisal.

C) testing appraisal.

D) peer job evaluation appraisal.

E) supervisor appraisal.

37) The use of an experienced individual to teach and train someone with less knowledge in a given area is called:

A) mentoring.

B) on–the–job training.

C) basic training.

D) apprenticeship training.

E) lecturing.

38) A career–planning workbook underlines the employee's responsibility to initiate:

A) career workshops.

B) environmental assessment.

C) lifelong learning.

D) self–assessment activity.

E) the career–development process.

39) Reverse mentoring is:
    A) senior executives provide guidance to junior employees in management.
    B) senior executives provide guidance to new employees.
    C) younger workers provide guidance to older workers.
    D) older workers provide guidance to younger workers.
    E) younger workers provide guidance to senior executives.

40) An organization focused on creating, acquiring, and transferring knowledge, and at modifying its behaviour to reflect new knowledge and insights, is a(n):
    A) training and development organization.
    B) post–secondary institution.
    C) learning organization.
    D) mentoring organization.
    E) in–house development centre.

41) Harold is the recently hired CEO of a telecommunications company. He wishes to create a learning organization. Activities that are necessary for this to occur include:
    A) making effective promotion decisions.
    B) making effective transfer decisions.
    C) transferring knowledge.
    D) making effective termination decisions.
    E) establishing a career development program.

42) A learning organization is an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behaviour to reflect:
    A) conservative views and news.
    B) contemporary attitudes and norms.
    C) traditional standards and values.
    D) the skills of its employees.
    E) new knowledge and insights.

43) The learning organization depends on experimentation, which means:
    A) exploitative data of primary research.
    B) intuitive guesswork of research data.
    C) observing labour market trends.
    D) systematic searching for, and testing of, new knowledge.
    E) random testing of information.

44) Learning organizations engage in the following activities EXCEPT:
    A) transferring knowledge.
    B) learning from experience.
    C) experimentation.
    D) unsystematic problem solving.
    E) learning from others.

45) The most important promotion–related decisions are:
    A) whether the promotion process will be formal or informal.
    B) how competence will be defined and measured.
    C) whether or not the promotion will involve a transfer.
    D) whether to take future potential into account.
    E) whether promotion will be based on seniority or competence, or some combination of the two.

46) Harry's competence as a manager was rated very high. How is his competence defined and measured?
   A) predicting environmental assessment
   B) predicting career-related decisions
   C) understanding employee needs
   D) measuring career assessment
   E) forecasting person's potential

47) When employees are not made aware of jobs that are available, criteria for promotion and how the decisions are made, the link between performance and promotion is:
   A) strengthened.
   B) weakened.
   C) severed.
   D) diminished.
   E) none of the above.

48) Employees seek transfers for the following reasons EXCEPT:
   A) greater possibility of advancement.
   B) a more interesting job.
   C) better location of work.
   D) enhancement of family life.
   E) personal enrichment.

49) Transfer policies have fallen into disfavour partly because of the cost of relocating employees, and also because of the assumption that frequent transfers have a bad effect on the employee's:
   A) emotional stability.
   B) financial responsibility.
   C) job attitude.
   D) family life.
   E) job performance.

50) To overcome the record number of rejections of relocation offers, companies are:
   A) increasing salaries.
   B) offering spousal support through career transition programs.
   C) offering additional perquisites.
   D) paying moving expenses.
   E) increasing financial incentives.

51) Any attempt to improve managerial performance by imparting knowledge, changing attitudes or enhancing skills, is called:
   A) professional development.
   B) management development.
   C) assessment centre training.
   D) T-group training.
   E) career enhancement.

52) Canadian firms tend to routinely transfer employees less today than was the case 10 years ago. The general reasons for this change in practice is:
   A) the difficulty in finding employees to fill the transferred employee's former position.
   B) the cost of transferring employees has increased.
   C) the negative impact on diversity programs.
   D) the cost of transferring employees has increased.
   E) employees are less willing to disrupt their family life and the cost of transferring employees has

increased.

53) When a management development program is individualized and it is aimed at filling a specific executive position, this process is usually called:
   A) management forecasting.
   B) succession planning.
   C) management needs analysis and development.
   D) individual development.
   E) personnel planning.

54) The following are steps contained in a typical succession program EXCEPT:
   A) Management forecasts of the competition are made.
   B) Job rotation and executive development programs are arranged.
   C) An organization projection must be made.
   D) Management skills inventories are prepared.
   E) Management replacement charts are drawn.

55) A Canadian bank has for several years established formal promotion procedures and published these procedures so all employees are aware of the criteria by which promotions are rewarded. What are the benefits to the bank of doing this?
   A) A greater number of qualified employees are likely to be considered for openings and promotion becomes more closely linked to performance for employees.
   B) There are no benefits.
   C) Replacement summaries are better utilized.
   D) A greater number of qualified employees are likely to be considered for openings and managers have more discretion in promotion decisions.
   E) Managers have greater autonomy and more discretion in promotion decisions.

56) A management training technique that involves moving a trainee from department to department in order to broaden his/her experience and identify strong and weak points is called:
   A) job enlargement.
   B) job enrichment.
   C) developmental job rotation.
   D) global job rotation.
   E) action learning.

57) The following are advantages of the developmental job rotation technique EXCEPT:
   A) avoiding stagnation through constant introduction of new points of view in each department.
   B) testing the trainee and helping identify the person's strong and weak points.
   C) providing experience in analyzing overall company problems.
   D) broadening understanding of all parts of the business.
   E) providing a well-rounded training experience for each trainee.

58) In one management training technique, the trainee works directly with the person that he/she is to replace. This technique is called the:
   A) coaching/understudy approach.
   B) direct replacement approach.
   C) job rotation approach.
   D) replacement approach.
   E) learning approach.

59) A training technique by which management trainees are allowed to work full-time analyzing and solving

problems in other departments is:
- A) job rotation.
- B) action learning.
- C) the coaching/understudy approach.
- D) on–the–job training.
- E) the case study method.

60) Amy is the new Director of Learning and Development at a pharmaceutical company, Medica Inc. She is contemplating implementing an action learning program and is considering the advantages and disadvantages of this approach for the development of new managers recently hired. The benefits of action learning to Medica include the following EXCEPT:
- A) It encourages teamwork.
- B) It develops problem analysis skills.
- C) It benefits the managers department during the training period.
- D) By working with others, trainees find solutions to major problems.
- E) It develops planning skills.

61) An off–the–job management development technique which involves presenting a trainee with a written description of an organizational problem is called a(n):
- A) action learning program.
- B) management game.
- C) role–play exercise.
- D) case study method.
- E) coaching/understudy approach.

62) Amy is the new Director of Learning and Development at a pharmaceutical company, Medica Inc. She is designing the off the job management development program for Medica and will be including the case student method of learning. The following elements are present in a case study method of training EXCEPT:
- A) diagnosing problems.
- B) summarizing events to stockholders.
- C) analyzing cases in private.
- D) discussion with other trainees.
- E) presenting findings and solutions to the group.

63) Amy is the new Director of Learning and Development at a pharmaceutical company, Medica Inc. She is designing the off the job management development program for Medica and will be including the case student method of learning. She wishes to improve the effectiveness of this method for the development of new management hires. Which of the following steps would NOT increase effectiveness:
- A) instructors should guard against dominating the case analysis.
- B) cases should be scenarios from companies other than that of the trainees.
- C) cases should be actual scenarios from the trainees' own firm.
- D) participants should discuss the case in small groups before class.
- E) instructors should act as a catalyst or coach.

64) In this off–the–job management development technique, teams of managers compete with one another by making decisions regarding realistic but simulated companies. This technique is called:
- A) action learning.
- B) a computerized case study.
- C) a computerized management game.
- D) a simulation exercise.
- E) a computerized junior board.

65) Computerized management games are good developmental tools for the following reasons EXCEPT:
    A) development of problem-solving skills.
    B) development of leadership skills.
    C) fostering teamwork.
    D) fostering cooperation.
    E) development of computer skills.

66) The employer's role in university-related programs often involves the provision of an incentive for employees to develop job-related skills. This incentive often takes the form of:
    A) lavish prizes.
    B) tuition refunds.
    C) paid leave of absence.
    D) cash.
    E) exotic job assignments.

67) The employer's role in university-related programs increasingly involves granting technical and professional employees extended periods of time off for attending a college or university to pursue a higher degree or to upgrade skills. This employer support is called a(n):
    A) sabbatical.
    B) leave without pay.
    C) professional leave.
    D) vacation.
    E) upgrade program.

68) A training technique in which trainees act out the parts of people in a realistic management situation is called:
    A) situational training.
    B) realistic training.
    C) action learning.
    D) case study method.
    E) role-playing.

69) Role-playing trains a trainee to be aware of and sensitive to the:
    A) feelings of others.
    B) decisions of others.
    C) expertise of others.
    D) background of others.
    E) thoughts of others.

70) Role-playing has some drawbacks. An exercise can take an hour or more to complete, only to be deemed a waste of time by participants if the instructor does not:
    A) explain what the participants were to learn.
    B) lecture at the beginning to all trainees.
    C) praise the participants.
    D) present an expert system for trainees to observe.
    E) coach or mentor trainees throughout the session.

71) A training program in which trainees are first shown good management techniques (in a film), are then asked to play roles in a simulated situation, and are given feedback regarding their performance, is called:
    A) role-playing.
    B) case study method.
    C) behaviour modelling.

D) good–example training.

E) action learning.

72) The basic behaviour modelling procedure includes the following EXCEPT:

A) social reinforcement.

B) computer program training.

C) transfer of training.

D) role–playing.

E) modelling.

73) Some employers have in–house development centres for managers and employees that would include the following EXCEPT:

A) classroom learning.

B) role–playing.

C) job analysis programs.

D) assessment centres.

E) in–basket exercises.

74) Avica Inc., a Toronto based management consulting company would like to encourage certain key consultants to continue employment past age 60. Which of the following steps would NOT be a good step for the company to take to keep older consultants fully engaged and willing to continue employment with the firm:

A) canceling training and development programs for this group.

B) offering creative work arrangements.

C) canceling training and development programs for this group and requiring this group of employees to work long work weeks.

D) providing career counseling.

E) requiring this group of employees to work long work weeks.

75) Avica Inc., a Toronto based furniture manufacturer is considering encouraging certain key employees to continue employment past age 60. You are a consultant hired by Avica to advise on whether the company should take this step and to discuss the latest research in to the impacts on Canadian firms of continuing the employment of key employees past age 60. What do you advise?

A) These employees often have a higher rate of absenteeism.

B) Many have diminished mental capacity.

C) These employees often have a stronger work ethic.

D) These employees often have a stronger work ethic but a higher rate of absenteeism.

E) These employees are usually risk averse and backward looking.

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

76) Career planning is the lifelong series of activities that contribute to a person's career exploration.

77) The manager's role in career development includes providing timely and objective performance feedback.

78) An important task a person has in the establishment career stage is that of finding a suitable occupation, and of engaging in activities that help earn a permanent place in the chosen field.

79) According to John Holland, most people have only one orientation, which makes career choices fairly straightforward for them.

80) A person becomes aware of career anchors as a result of learning about his or her talents and abilities, motives and needs, and attitudes and values.

81) People who have a strong technical/functional career anchor tend to make decisions that drive them toward general management.

82) Employees with security as a career anchor are interested in either geographic security or organizational security.

83) Realistic job previews significantly decrease reality shock.

84) Mentoring only provides benefits to the protégé.

85) Management development is an attempt to improve current or future managerial performance by imparting knowledge, changing attitudes, or increasing skills.

86) Succession planning is the process through which lower–level openings are planned and filled.

87) Management replacement charts summarize potential candidates as well as development needs.

88) A case study method approach is aimed at giving trainees realistic experience in identifying and analyzing complex organizational problems.

89) Management games can be good developmental tools because people learn best by getting involved in the activity itself, and games can be useful for gaining such involvement.

90) The aim of role–playing is to create a realistic situation and then have the trainees assume the parts of specific persons in that position.

91) Behaviour modeling involves two steps: showing trainees the easiest way of doing something, and letting them practice and develop speed.

92) Bjorn is a high performing programmer in a software development firm. He was offered the role of manager of his work team. He declined the offer even though his salary would have increased by 15% had he accepted this position. His career anchor is likely technical/functional.

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

93) Discuss the stages in a person's career.

94) Identify and explain career anchors for an employee.

95) Amy is the new Director of Learning and Development at a pharmaceutical company, Medica Inc. She is designing the new on the job management development program and is considering implementing developmental job rotation. What are the advantages and disadvantages of developmental job rotation that she should consider?

96) Identify the main features of behaviour modeling.

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

52) E
53) B
54) A
55) A
56) C
57) C
58) A
59) B
60) C
61) D
62) B
63) B
64) C
65) E
66) B
67) A
68) E
69) A
70) A
71) C
72) B
73) C
74) C
75) C
76) FALSE
77) TRUE
78) TRUE
79) FALSE
80) TRUE
81) FALSE
82) TRUE
83) TRUE
84) FALSE
85) TRUE
86) FALSE
87) TRUE
88) TRUE
89) TRUE
90) TRUE
91) FALSE
92) TRUE
93) **Growth** (birth to age 14) develops self–concept by interacting with family, friends, and teachers.

   Exploration (15 to 24) explores various alternatives for occupations.

   Establishment (24 to 44) work life.

   Maintenance (45 to 65) securing work.

   Decline (retirement age) giving up responsibilities and passing it on to younger workers.
94) **Technical/functional** – avoid decisions.

   Managerial competence – high responsibility.

   Creativity – successful entrepreneurs.

   Autonomy and independence – work either alone or with a small firm.

   Security – geographic or organizational.
95) **Advantages:** Provides well–rounded training; avoids stagnation through the constant introduction of new points of

view department; and tests the trainees and helps identify a person's weak and strong points.

in **Disadvantages:** Encourages generalization and tends to be more appropriate for developing line managers than

each functional staff experts.

96) Behaviour modeling involves (1) showing trainees the right (or "model") way to do something; (2) letting each trainee practice the right way to do it; and (3) providing feedback regarding each trainee's performance. Four specific steps are used: (1) modeling;   (2) role plays; (3) social reinforcement; and (4) transfer of training.

Chapter 10

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

1) Which of the following is true about performance management?
   A) Research indicates that most companies manage performance well.
   B) Better performance management represents a largely untapped opportunity to improve company
      profitability.
   C) It is indirectly related to achieving strategic objectives.
   D) The process contains 3 steps.
   E) The process does not involve coaching.

2) The critical step in employees' understanding of how their work makes a contribution is:
   A) the promotion decision.
   B) defining performance expectations.
   C) the appraisal session.
   D) the pay decision.
   E) the career planning session.

3) To clarify performance expectations, _____ should be developed.
   A) measurable standards
   B) a business plan
   C) an HR strategy
   D) strategic objectives
   E) a list of traits

4) The following are reasons for the failure of a performance appraisal EXCEPT:
   A) a lenient supervisor.
   B) arguing and poor communications which arise as problems during feedback sessions.
   C) having poor measures of performance.
   D) clearly defining performance standards.
   E) not telling employees ahead of time exactly what is expected of them.

5) The job description often is not sufficient to clarify what employees are to do. This lack of clarity is because:
   A) it is written only for benchmark jobs.
   B) it is the same for groups of employees.
   C) it is written for specific employees.
   D) it is written for specific departments.
   E) managers may ask individual employees to take on additional tasks.

6) The simplest and most popular technique for appraising employees is the:
   A) alternation ranking method.
   B) paired comparison method.
   C) forced distribution method.
   D) critical incident method.
   E) graphic rating scale.

7) A scale that lists a number of traits and a range of performance for each is called a(n):
   A) behaviourally anchored rating scale.
   B) paired comparison scale.
   C) forced distribution method.
   D) graphic rating scale.
   E) alternation ranking method.

8) Renu has been hired as the first human resources professional at a growing landscape architecture firm, Terrastyle Inc. The firm is currently using a formal appraisal method which lists traits such as "teamwork" and performance values ranging from "needs improvement" to "outstanding." Terrastyle is using the following appraisal method:
    A) graphic rating scale.
    B) forced distribution method.
    C) behaviourally anchored rating scale.
    D) critical incident method.
    E) paired comparison method.

 9) A common method for appraising performance which involves evaluating employees by ranking them from best to worst on some trait is called the:
    A) paired comparison method.
    B) graphic rating scale.
    C) forced distribution method.
    D) alternation ranking method.
    E) behaviourally anchored rating scale.

10) An example of the alternation ranking method would include the following steps EXCEPT:
    A) listing the highest–ranking employee on the first line.
    B) defining the compensable factors.
    C) putting the lowest–ranking employee on the last line.
    D) listing all the employees to be ranked.
    E) cross off names not known well enough to rank.

11) The method for appraising performance which ranks employees by making a chart of all possible pairs of the employees for each trait and indicating which employee is the better of the pair is known as the:
    A) alternation ranking method.
    B) graphic rating scale.
    C) forced distribution method.
    D) paired comparison method.
    E) critical incident method.

12) The performance appraisal method that would use a "+" to denote "better than" and a "–" to denote "worse than" when comparing employees in order to get the highest–ranked employee is the:
    A) forced distribution method.
    B) critical incident method.
    C) graphic rating scale method.
    D) paired comparison method.
    E) alternation ranking method.

13) The performance appraisal method which is similar to grading on a curve, and which places a predetermined percentage of ratees in various performance categories, is the:
    A) alternation ranking method.
    B) forced distribution method.
    C) paired comparison method.
    D) graphic rating scale.
    E) critical incident method.

14) Renu has been hired as the first human resources professional at a growing landscape architecture firm, Terrastyle Inc. She is considering changing the current performance appraisal method, the graphic rating

scale, to forced distribution method of performance appraisal. What criticism of using this method do you advise her
the   about?
   A) Traits being appraised are decided by management.
   B) Employees are rated on a comparison basis.
   C) It is similar to grading on a curve.
   D) Predetermined percentages of employees are placed in performance categories.
   E) A considerable proportion of the workforce is classified as less than average.

15) The performance appraisal method which involves keeping a record of uncommonly good or undesirable examples of an employee's work–related behaviour and reviewing it with the employee at predetermined times is the:
   A) behaviourally anchored rating scales.
   B) forced distribution method.
   C) critical incident method.
   D) paired comparison method.
   E) alternation ranking method.

16) The following are advantages of the critical incident method EXCEPT:
   A) provides the evaluator with some specific hard facts for explaining the appraisal.
   B) ensures that the evaluator thinks about the employee's appraisal all during the year.
   C) can be used to supplement another appraisal technique.
   D) provides concrete examples of what an employee can do to eliminate any performance deficiencies.
   E) ensures that the evaluator will only consider the employee's most recent job performance.

17) The following are examples of critical incidents for an assistant plant manager EXCEPT:
   A) allowing inventory storage costs to rise 15% in the prior month.
   B) developing a corporate strategy to implement company–wide.
   C) instituting a new production system which decreased late orders by 10%.
   D) instituting a new preventative maintenance system for the plant.
   E) preventing a machine breakdown by discovering a faulty part.

18) The critical incident method of performance appraisal is often used to supplement a:
   A) forced distribution method.
   B) ranking method.
   C) paired comparison method.
   D) management–by–objectives method.
   E) narrative form.

19) In a behaviourally anchored rating scale there are critical incident anchors along the:
   A) alternation ranking method scale.
   B) forced distribution scale.
   C) paired comparison scale.
   D) graphic rating scale.
   E) performance rating scale.

20) Some employers evaluate the progress and development of their supervisory employees via the use of a narrative form of appraisal. One example of the form that is used is called the:
   A) performance discussion plan.
   B) essay form.
   C) performance improvement plan.
   D) critical incident method.
   E) assessment method.

21) A summary performance appraisal discussion focuses on:
    A) administering.
    B) planning.
    C) controlling.
    D) developing people.
    E) problem solving.

22) An appraisal method that aims at combining the benefits of narrative, critical incidents and quantified ratings by anchoring a quantified scale with specific narrative examples of good or poor performance is called the:
    A) anchored narrative–quantitative method.
    B) paired narrative–quantitative method.
    C) critical incident method.
    D) graphic rating scale method.
    E) behaviourally anchored rating scale method.

23) The following are steps in developing a behaviourally anchored rating scale EXCEPT:
    A) causing critical incidents to occur.
    B) developing the final instrument.
    C) scaling the incidents.
    D) developing performance dimensions.
    E) generating critical incidents.

24) The step used in developing a behaviourally anchored rating scale where persons who know the job being appraised are asked to describe specific illustrations of effective and ineffective performance is:
    A) reallocating incidents.
    B) developing the final instrument.
    C) developing performance dimensions.
    D) scaling the incidents.
    E) generating critical incidents.

25) Typically a critical incident is retained if some percentage (usually _____% to _____%) of the second group assigns it to the same cluster.
    A) 0; 100   B) 50; 80   C) 50; 50   D) 40; 90   E) 40; 80

26) The following are advantages of the behaviourally anchored rating scale appraisal method EXCEPT:
    A) specific forced behavioural dimensions.
    B) specific feedback for supervisors to give employees.
    C) consistency.
    D) a more accurate measure.
    E) clearer standards.

27) A method for appraising performance involving setting specific measurable goals with each employee and then periodically reviewing the progress made is called:
    A) behaviourally anchored rating scale method.
    B) periodic review method.
    C) progress review method.
    D) management by objectives.
    E) critical goal method.

28) MBO almost always refers to a comprehensive organization–wide goal–setting and appraisal program that

consists	of the following steps EXCEPT:
   A) setting the department's goals.
   B) providing feedback to employees.
   C) discussing the department's goals.
   D) setting the organization's goals.
   E) setting long–term performance targets.

29) The following are problems that are typically encountered when an organization uses the MBO method of performance appraisal EXCEPT:
   A) time–consuming procedures.
   B) tug of war concerning objectives between supervisor and employee.
   C) measurable objectives.
   D) unclear objectives.
   E) unmeasurable objectives.

30) When it comes to performance appraisals, most firms combine:
   A) computerized and narrative techniques.
   B) computerized techniques and BARS.
   C) manual and subjective techniques.
   D) several appraisal techniques.
   E) manual techniques and MBO.

31) When using MBO, in order to avoid having the process demotivate employees, objectives must be:
   A) difficult to attain.
   B) easy to attain.
   C) fair and attainable.
   D) based on the employee's educational level.
   E) the same for all employees in the same job.

32) Because of good results, more employers are turning to a new approach to appraisal, namely a(n):
   A) critical incidents narrative.
   B) point method plan.
   C) bell–shaped curve.
   D) forced distribution system.
   E) computerized performance appraisal system.

33) Which of the following is NOT an advantage of the behaviourally anchored rating scale method?
   A) It is relatively consistent and reliable.
   B) The critical incidents allow for clearer standards.
   C) It is the simplest form of performance appraisal so little supervisor time is involved in using this performance appraisal tool.
   D) It provides specific behavioural examples for each trait.
   E) It is generally a more accurate measure of performance.

34) Appraisal systems must be based on performance criteria that are _____ for the position being rated, and _____ in that their application must produce consistent ratings for the same performance.
   A) measurable, valid
   B) reliable, reliable
   C) reliable, valid
   D) valid, reliable
   E) valid, measurable

35) The following are problems for managers when using performance appraisal methods EXCEPT:
    A) central tendency.
    B) unclear standards.
    C) quota appraisals.
    D) halo effect.
    E) appraisal bias.

36) When an appraisal scale is too open to interpretation, it is characterized as having:
    A) critical incidents.
    B) translation openness.
    C) non–quantitative standards.
    D) unclear performance standards.
    E) lack of appraisal specificity.

37) A graphic rating scale used with unclear standards may appear to be objective; however, it will probably result in unfair appraisals because the traits and degrees of merit are:
    A) too strict/lenient.
    B) specific in nature.
    C) open to interpretation.
    D) tightly structured.
    E) well defined.

38) Gary is the supervisor of Mindy. He is very impressed with Mindy's ability to work in a team so has rated her as "outstanding" for this trait. Although she has had more missed delivery deadlines than her peers over the past financial quarter Gary rated her as "above average" for the trait "personal effectiveness." Gary's actions indicate the following performance appraisal problem:
    A) appraisal bias.
    B) halo effect.
    C) bias.
    D) trait bias.
    E) trait effect.

39) Kai has a tendency to rate all of his direct reports as average. Kai's actions indicate the following performance appraisal problem:
    A) bias.
    B) appraisal bias.
    C) central tendency.
    D) equal rating tendency.
    E) halo effect.

40) When supervisors who are engaged in a performance rating have a tendency to rate all employees either high or low, this is a problem that is referred to as:
    A) appraisal bias.
    B) bias.
    C) leniency/strictness.
    D) central tendency.
    E) halo effect.

41) When supervisors allow individual differences such as age, race, and sex to affect the appraisal ratings that employees receive, this problem is referred to as:
    A) trait effect.
    B) strictness/leniency.

C) appraisal bias.
D) central tendency.
E) halo effect.

42) When an employee's most recent performance can affect the evaluation of his/her overall performance, the
_____ error has occurred.
   A) similar–to–me
   B) appraisal bias
   C) central tendency
   D) recency
   E) halo

43) The following are ways to minimize the impact of appraisal problems such as bias and central tendency
EXCEPT:
   A) be sure to understand the problem in order to prevent it.
   B) choose the right appraisal tool.
   C) be familiar with the typical rating errors that can undermine rating scale appraisals.
   D) refrain from confusing the employee by including him/her in the rating and evaluation process.
   E) train supervisors to eliminate rating errors.

44) Improving appraisal accuracy calls not just for training of supervisors, but also for:
   A) an effective employee orientation program.
   B) a quantitative job evaluation system.
   C) performance bonuses.
   D) reducing outside factors such as union pressure and time constraints.
   E) MBO.

45) The following are advantages of various appraisal tools EXCEPT:
   A) BARS is very accurate.
   B) MBO is tied to jointly agreed goals.
   C) forced distribution results depend on the adequacy of the original choice of cutoff points.
   D) a graphic rating scale is simple to use.
   E) alternation ranking is simple to use.

46) The following are disadvantages of appraisal tools EXCEPT:
   A) the critical incident method is difficult to use to rate employees relative to one another.
   B) the alternation ranking method can cause disagreements among employees.
   C) MBO is time–consuming.
   D) BARS is difficult to develop.
   E) a graphic rating scale is simple to use.

47) Guidelines for developing a legally defensible performance appraisal process include the following EXCEPT:
   A) conduct job specialization for each employee.
   B) provide definitive performance standards to rater and ratees.
   C) use clearly defined individual dimensions of job performance.
   D) incorporate job characteristics into a rating instrument.
   E) document evaluations.

48) The individual ratings that are still the heart of most appraisal systems are the:
   A) supervisor's ratings.
   B) individual ratings.
   C) customer ratings.

D) peer ratings.

E) self–paced ratings.

49) A potential problem with peer appraisal occurs when all the peers get together to rate each other highly. This is called:

A) appraisal bias.

B) halo error.

C) logrolling.

D) leniency error.

E) preferential evaluation.

50) In a study involving more than 200 industrial managers, the type of performance rating that predicted who would be promoted was the:

A) peer appraisal.

B) self–appraisal.

C) customer appraisal.

D) committee appraisal.

E) supervisor appraisal.

51) The following are advantages of using rating committees in the performance appraisal process EXCEPT:

A) appraisal is generally more biased because of personality clashes.

B) variations in raters' ratings usually stem from the fact that raters often observe different facets of an employee's performance.

C) the composite ratings tend to be more reliable and valid than those of individual raters.

D) several raters can help cancel out problems like bias and halo effect on the part of individual raters.

E) the composite ratings tend to be more fair than those of individual raters.

52) Rating committees are usually composed of the employee's immediate supervisor and:

A) three or four peers.

B) that supervisor's boss.

C) that supervisor's boss and a customer.

D) other supervisors and peers.

E) three or four other supervisors.

53) The basic problem with employee self–ratings is:

A) employee reluctance to self–rate.

B) lack of anonymity.

C) peers rate themselves lower than they are rated by supervisors or peers.

D) supervisor distrust of employee self–ratings.

E) employees rate themselves higher than they are rated by supervisors or peers.

54) More firms today let employees anonymously evaluate their supervisors' performance. This process is known as:

A) team appraisal.

B) 360–degree appraisal.

C) upward feedback.

D) anonymous evaluation.

E) supervisor appraisal.

55) The 360–degree appraisal approach supports the following activities EXCEPT:

A) job evaluation.

B) leadership development.

C) coaching.
D) recognition.
E) succession planning.

56) 360–degree feedback was originally used only for training and development purposes, but has rapidly spread to being used in the management of:
  A) performance and pay.
  B) job evaluation.
  C) employee orientation.
  D) rating errors.
  E) customer service.

57) The 360–degree appraisal approach fits closely with the goals of organizations committed to:
  A) hierarchical chain of command.
  B) MBO.
  C) employment equity.
  D) pay equity.
  E) continuous learning.

58) An employee's 360–degree appraisal usually involves the following appraisers EXCEPT:
  A) supervisors.
  B) customers.
  C) peers.
  D) competitors.
  E) any employees reporting to the person being appraised.

59) Organizations that have implemented 360–degree appraisal have the following advice for those considering it EXCEPT:
  A) assure all raters that their comments will be kept anonymous.
  B) provide training for supervisors, raters and ratees.
  C) be clear about who will have access to reports.
  D) use standard questionnaires.
  E) plan to evaluate the system for fine tuning.

60) An interview with an employee to make development plans, to maintain satisfactory performance if promotion is not indicated, or to correct unsatisfactory performance, is called a(n):
  A) evaluation interview.
  B) exit interview.
  C) development interview.
  D) job interview.
  E) appraisal interview.

61) The easiest appraisal interview to conduct is _____ performance, _____ employee.
  A) unsatisfactory, correctable.
  B) unsatisfactory, uncorrectable.
  C) satisfactory, promotable.
  D) unsatisfactory, unpromotable.
  E) satisfactory, unpromotable.

62) When preparing for the appraisal interview, there are three things to do. First, assemble the data; second, prepare the employee; and finally:
  A) document all information to be discussed in the interview.

B) prepare the appraisal examination.
C) lay out an action plan.
D) choose the time and place.
E) do the performance appraisal.

63) When conducting the appraisal interview the following should be kept in mind EXCEPT:
   A) be direct and specific.
   B) don't get personal.
   C) encourage the person to talk.
   D) develop an action plan.
   E) talk in generalities.

64) When a person is accused of poor performance, research indicates that the first reaction that he/she may have is often:
   A) aggression.
   B) changing the subject.
   C) ignoring the accusation.
   D) anger.
   E) denial.

65) "Best practices" when dealing with defensive employees include:
   A) explain the person's behaviour to them.
   B) never back down.
   C) solve all problems quickly.
   D) recognize that defensive behaviour is normal.
   E) using intimidation to convince.

66) Rules for constructive criticism include the following EXCEPT:
   A) criticize in private.
   B) let the employee maintain their sense of dignity and self-worth.
   C) provide suggestions about what could be done to change behaviour.
   D) ensure criticism is free of bias.
   E) a once-a-year "critical broadside" can be effective.

67) The following steps are important to ensure that the appraisal interview leads to improved performance EXCEPT:
   A) ensure employees don't feel threatened during the interview.
   B) give employees the opportunity to present their ideas and feelings.
   C) the supervisor should be in firm control of the interview.
   D) the supervisor should be helpful and constructive.
   E) set improvement goals and a schedule for attaining them.

68) A written warning to an employee with poor performance should include the following EXCEPT:
   A) specify that 360-degree appraisal will be used in future.
   B) make it clear the employee was aware of the standards.
   C) specify any violation of the standards.
   D) indicate that the employee had an opportunity to correct their behaviour.
   E) identify standards under which the employee is judged.

69) A performance appraisal system that does not force managers to give false or misleading measurements and instead facilitates open, job-related discussions between the supervisor and the employee is:
   A) self-managed teams.

B) a performance management system.
C) total quality control.
D) management by objectives.
E) behaviourally anchored rating scales.

70) Susan, the HR Director, is developing performance management training sessions for junior managers. She wants to be sure to emphasize the key success factor for effective performance appraisal that most often leads to optimum employee performance. The factor she emphasizes is:
A) the quality of the performance appraisal dialogue between the manager and employee.
B) effective career development discussions.
C) legally compliant policies.
D) linking pay with performance.
E) none of the above.

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

71) The main purpose for appraising employees is to instill in them a desire for continuous improvement.

72) Most supervisors and employees are dissatisfied with their performance appraisal programs because they involve so much personal judgment.

73) Performance appraisal requires feedback sessions in which performance and progress are discussed and plans are made for development that is required.

74) A job description is always sufficient in clarifying what a manager wants his or her employees to do.

75) The most popular technique for appraising performance is the graphic rating scale.

76) When using the paired comparison method, for every trait, every employee is compared to every other employee in pairs.

77) With the critical incident method, the rating reflects only the employee's most recent performance.

78) The critical incident performance appraisal method can be geared directly to the specific job expectations laid out for the employee at the beginning of the year.

79) A behaviourally anchored rating scale (BARS) combines the benefits of narratives, critical incidents, and quantified ratings by anchoring a quantified scale with specific behavioural examples of good or poor performance.

80) A behaviourally anchored rating scale takes less time than a graphic rating scale for the supervisor to complete when undertaking performance appraisal.

81) A manager can implement a modest MBO program by jointly setting goals with employees and providing feedback.

82) It would be a disadvantage for firms to combine several appraisal tools.

83) The use of critical incidents in performance appraisal provides specific examples of good and poor performance.

84) MBO is time consuming.

85) When using a graphic rating scale, the central tendency error occurs when raters rate people too high.

86) Research indicates that individual differences among ratees (in terms of characteristics such as age, race, and sex) can affect the ratings they receive from supervisors.

87) Rater training is the most important thing to do to improve performance appraisal accuracy.

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

88) Discuss several options as to who should conduct performance appraisals, and discuss one strength of each option.

89) Identify the steps required to develop a behaviourally anchored rating scale.

90) Define MBO, describe the steps in the MBO appraisal program and explain three problems to avoid.

91) Identify and discuss seven rating scale appraisal problems.

92) Grace is the manager of a team in a management consulting firm. She is preparing for her performance appraisal interview with her direct report, Ming. She has rated Ming as "above average" on all performance traits. Grace is unable to promote Ming in the foreseeable future as there is unlikely to be a vacancy that she could move in to. Describe what the goals would be for Grace's performance appraisal meeting with Ming and what recommendations you have for Grace in preparing for the meeting.

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

52) E
53) E
54) C
55) A
56) A
57) E
58) D
59) D
60) E
61) C
62) D
63) E
64) E
65) D
66) E
67) C
68) A
69) B
70) A
71) TRUE
72) TRUE
73) TRUE
74) FALSE
75) TRUE
76) TRUE
77) FALSE
78) TRUE
79) TRUE
80) FALSE
81) TRUE
82) FALSE
83) TRUE
84) TRUE
85) FALSE
86) TRUE
87) FALSE
88) Supervisors' ratings are relatively easy to prepare and he/she should be in a good position to observe and evaluate.
Peers are effective in predicting future management success.
– ratings tend to be more reliable, fair, and valid.
– ratings are used in conjunction with those from supervisors but studies show employees rate themselves high.
– ratings of their managers are valuable when used for developmental rather than evaluative purposes.
360–degree appraisals support the activities of performance feedback, coaching, leadership development,
succession planning, and rewards and recognition.
89) Generate critical incidents; develop performance dimensions; reallocate incidents; scale the incidents; develop the
final instrument.
90) **Management by objectives (MBO)** involves setting specific measurable goals with each employee and then
periodically reviewing the progress made.
Set the organization's goals
• establish an organization–wide plan for next year and set goals
Set departmental goals
• here department heads and their superiors jointly set goals for their departments
Discuss departmental goals

- department heads discuss the department's goals with all employees in the department (often at a department–wide meeting) and ask them to develop their own individual goals; in other words, how can each employee contribute to the department's attainment of its goals?

Define expected results (set individual goals)
- here, department heads and employees set short–term performance targets

Performance reviews: Measure the results
- department heads compare the actual performance of each employee with the expected results

Provide feedback
- department heads hold periodic performance review meetings with employees to discuss and evaluate progress in achieving expected results.

Problems to Avoid
- Setting unclear, unmeasurable objectives is the main one
- MBO is time–consuming
- setting objectives with an employee sometimes turns into a *tug of war*, with the manager pushing for higher goals and the employee pushing for lower ones

91) **Unclear performance standards** are when traits and degrees of merit are open to interpretation.
Halo effect means rating an employee on one trait biases their ratings on other traits.
Central tendency rates all employees the same––average, while **strictness** rates all employees consistently high or low.
Appraisal bias allows individual differences to affect appraisal rates the employees receive.
Recency effect means ratings are based on the employee's most recent performance, not average performance over the appraisal period.
Similar–to–me bias occurs when the rater gives higher ratings to employees with whom he or she has something in common.

92) Goals of interview: should focus more on maintaining satisfactory performance than on career development.
To prepare for the meeting Grace should consider which incentives would be likely to motivate Ming to maintain her "above average" performance. She should consider incentives such as offering time off with pay, a bonus, and recognition for Ming.

Chapter 11

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

1) Total rewards refers to:
   A) payroll costs.
   B) cash payments only.
   C) contractual pay methods or fringe benefits to employees.
   D) all forms of pay or other compensation provided to employees.
   E) certain forms of pay and rewards to employees.

2) The total rewards approach has arisen from the:
   A) organization's business needs.
   B) executive boardroom.
   C) changing business environment of the last several decades.
   D) employee's requirement for stability.
   E) changing global economy.

3) A total rewards approach considers:
   A) individual reward components as part of an integrated whole.
   B) employee value.
   C) cost constraints.
   D) compensation and benefits together.
   E) business strategy.

4) Originally, total rewards were conceptualized as having three broad categories: They are:
   A) performance and recognition, benefits, work experience.
   B) development/career opportunities, benefits, work experience.
   C) bonus, benefits, work experience.
   D) compensation, flexible benefits, work experience.
   E) compensation, benefits, work experience.

5) Research conducted by WorldatWork has clarified the "work experience" category of total rewards by
   splitting it into three parts. They are:
   A) work/life programs, organizational culture and development/career opportunities.
   B) work/life programs, performance and recognition, and development and career opportunities.
   C) work/life programs, succession programs, and salary grade.
   D) work/life programs, business strategy and development/career opportunities.
   E) work/life programs, HR strategy, and development/career opportunities.

6) Work/life programs help employees do their jobs effectively using:
   A) recognition programs.
   B) flexible scheduling and childcare.
   C) employer–paid insurance.
   D) advancement opportunities.
   E) vacation and holidays.

7) Engagement is:
   A) positive emotional connection to the employer and a clear understanding of the strategic significance of
      the job.
   B) transactional rewards which are consistent across competing organizations.
   C) relational work experiences.
   D) the belief that the organization cares about talent management.

E) providing competitive base pay.

8) The Revlex Company did a salary survey, and the results showed that 10 of its key positions had lower wages compared with similar positions at their key competitors. The problem the company faces is:
   A) internal inequity.
   B) pay equity.
   C) comparable worth.
   D) broadbanding.
   E) external inequity.

9) You are advising the President of a newly formed company as to payroll obligations. This company is provincially regulated and is located in British Columbia. She has asked you to advise her as to legislative minimum standards regarding pay. You respond that the British Columbia Employment Standards Act sets minimum standards regarding pay for each of the following categories EXCEPT:
   A) paid statutory holidays.
   B) overtime pay.
   C) minimum wage.
   D) pensions.
   E) paid vacation.

10) Pay equity laws were enacted in response to:
   A) the historical undervaluing of "women's work."
   B) the variety of compensable factors being used to evaluate jobs.
   C) gender–neutral job evaluation systems.
   D) pay discrimination against senior citizens
   E) the variety of job evaluation systems being used to evaluate jobs.

11) Most Canadian human rights acts prohibit discrimination in pay based on the following grounds EXCEPT:
   A) sex.
   B) height.
   C) age.
   D) physical disability.
   E) colour.

12) Important considerations for paying employees include the following EXCEPT:
   A) legal considerations.
   B) equity considerations.
   C) union considerations.
   D) policy considerations.
   E) average age considerations.

13) The Employment Insurance Act provides unemployment benefits varying by region and other factors for up to _____ weeks.
   A) 18   B) 30   C) 45   D) 26   E) 52

14) Unions tend to believe that no one can judge the relative worth of jobs better than:
   A) job evaluation consultants.
   B) union leaders.
   C) workers.
   D) HR staff.
   E) management.

15) Compensation policies are usually written by the HR or compensation manager together with:
   A) stockholders.
   B) employees.
   C) supervisors.
   D) compensation consultants.
   E) senior management.

16) Wages must compare favourably with rates in other organizations or an employer will find it hard to attract and retain qualified employees. This is known as:
   A) compensation policy.
   B) external equity.
   C) wage compensation.
   D) need for equity.
   E) internal equity.

17) Pay rates must be equitable for each employee relative to other pay rates inside the organization. This is known as:
   A) external equity.
   B) internal equity.
   C) compensation plan.
   D) wage compensation.
   E) need for equity.

18) Job evaluation is a technique used to determine:
   A) the relative worth of each job.
   B) merit reviews of individuals to the group.
   C) the relative value of an individual's career earnings to the group's.
   D) performance appraisals of individuals to the group.
   E) promotability.

19) The basic procedure of job evaluation is to compare the content of jobs in relation to one another in terms of the following EXCEPT:
   A) responsibility.
   B) skill.
   C) effort.
   D) working conditions.
   E) personality traits.

20) Job evaluation involves comparing jobs to one another based on their content. Job content is assessed using:
   A) job design.
   B) comparable worth.
   C) compensable factors.
   D) critical incidence.
   E) behavioural anchors.

21) Jeffrey is the newly hired HR professional who is responsible for evaluating compensation practices at the company. To determine if there are issues with internal equity he has chosen to conduct a job evaluation according to the method popularized by the Hay consulting firm. Which of the following are the compensable factors he uses to evaluate jobs:
   A) effort, responsibility, authority, and working conditions.
   B) knowledge, problem solving, responsibility, and working conditions.
   C) skill, effort, problem solving, and working conditions.

D) responsibility, skill, effort, and working conditions.

E) know–how, problem solving, accountability, and working conditions.

22) Job evaluation is mostly a judgmental process which requires close cooperation and input from the following EXCEPT:

A) employees.

B) customer responses.

C) supervisors.

D) compensation specialists.

E) union representatives.

23) The process whereby several people meet together who are familiar with the jobs in question, and who may have different perspectives regarding the nature of the jobs, is called a(n):

A) job evaluation committee.

B) union negotiating team.

C) management negotiating team.

D) performance appraisal.

E) position review committee.

24) The following are primary functions of the job evaluation committee EXCEPT:

A) identifying 10 or 15 key benchmark jobs.

B) evaluating the worth of each job.

C) selecting a job evaluation method.

D) selecting behavioural anchors.

E) selecting compensable factors.

25) Job evaluation methods include the following EXCEPT the:

A) ranking method.

B) point method.

C) factor comparison method.

D) Hay plan method.

E) job classification method.

26) The job evaluation method that rates each job relative to all other jobs, usually based on some overall factor like "job difficulty," is the:

A) classification method.

B) point method plan.

C) factor comparison method.

D) ranking method.

E) critical incidence method.

27) The job classification method of job evaluation is a widely used method in which jobs are categorized into:

A) factors.

B) groups.

C) functions.

D) departments.

E) clusters.

28) The type of job evaluation method where the groups are called classes if they contain similar jobs is called the:

A) point method.

B) job classification method.

C) factor comparison method.
D) ranking method.
E) Hay plan method.

29) Another way to categorize jobs, other than using class descriptions, when undertaking the job classification method is to:
   A) draw up a set of classifying rules.
   B) assign points to compensable factors.
   C) rank jobs from lowest to highest.
   D) rank jobs by compensable factors.
   E) rank jobs against one another.

30) A disadvantage of the job classification method of job evaluation is the difficulty in:
   A) writing job descriptions.
   B) writing grade descriptions.
   C) classifying jobs.
   D) grouping jobs.
   E) developing job clusters.

31) The job evaluation method in which a number of compensable factors are identified, and then the degree to which each of these factors is present on the job is determined, is the:
   A) point method.
   B) ranking method.
   C) job classification method.
   D) Hay plan method.
   E) factor comparison method.

32) The point method of job evaluation identifies several compensable factors, each having several degrees, in addition to:
   A) degrees to which each of these factors is present in the job.
   B) ranking jobs.
   C) degrees within a present job.
   D) identifying behavioural anchors.
   E) establishing points in ranking jobs.

33) Once a job evaluation method has been used to determine the relative worth of each job, the committee can turn to the task of assigning pay rates to each job, but it will usually want to first group jobs into:
   A) range rates.
   B) labour contracts.
   C) pay grades.
   D) department classes.
   E) personal contracts.

34) The job evaluation committee will want to group similar jobs (in terms of their ranking or number of points, for instance) into grades for:
   A) personal growth.
   B) assessment purposes.
   C) pay purposes.
   D) non−economic reasons.
   E) wage structure purposes.

35) In establishing pay rates, an employer should conduct a salary survey for the purpose of:

A) performance appraisals.

B) fine tuning pay rates.

C) pricing jobs.

D) job evaluation.

E) slotting jobs into pay grades.

36) Establishing pay rates involves three stages, which are:

A) collecting data on insurance benefits, creating a salary survey, and hiring external consultants.

B) job evaluation, conducting salary surveys and combining job evaluation and salary survey results.

C) pricing of benchmark jobs, collecting data on insurance benefits, evaluating benefits packages.

D) consulting with industry, determining salaries for executive positions, and deciding on a benefits plan.

E) collecting data used to price every job in the organization, working with a compensation consultant, and working with a benefits specialist.

37) Wage surveys undertaken by the human resources department may collect other data which would include the following EXCEPT:

A) vacation time.

B) industry demand.

C) insurance benefits.

D) sick leave benefits.

E) employee benefits.

38) The problem resulting from using data in employee compensation surveys is known as:

A) employee discrimination.

B) stereotyping of data.

C) upward bias.

D) report bias.

E) systemic undervaluing.

39) An example of an informal survey conducted by an employer would be a(n):

A) telephone survey.

B) governmental agency survey.

C) commercial survey.

D) industry–wide survey.

E) professional organization survey.

40) Statistics Canada provides monthly data on earnings by:

A) city and occupation.

B) size of company.

C) geographic area and size of company.

D) geographic area, industry, and occupation.

E) industry and city.

41) The type of wage survey that pertains to members of associations includes:

A) geographic surveys.

B) benefits surveys.

C) area surveys.

D) local surveys.

E) Professional Engineers Ontario.

42) The graphic description of the relationship between the value of the job and the average wage paid for this job is called a:

A) rate range.
B) wage structure.
C) pay grade.
D) wage grade.
E) wage curve.

43) Assigning pay rates to each pay grade (or to each job) is usually accomplished with a:
A) wage grade.
B) job evaluation.
C) performance appraisal.
D) rate range.
E) wage curve.

44) There are several steps in pricing jobs with a wage curve. The first is:
A) find the average pay for each pay grade.
B) determine the pay grade.
C) determine the pay rate for a cluster of jobs.
D) create a wage line.
E) determine the rate range.

45) There are several steps in pricing jobs with a wage curve. The second is:
A) determine the rate range.
B) create a wage line.
C) find the average pay for each pay grade.
D) plot the pay rates.
E) price jobs.

46) Rate ranges are a series of steps or levels of pay within a pay grade, usually based upon:
A) years of education.
B) teamwork.
C) years of service.
D) amount of responsibility.
E) peer appraisals.

47) One way to depict the pay rate ranges for each pay grade is with a wage structure graphically depicting the:
A) range of pay grades for each pay rate.
B) scatter-plot points within a pay grade.
C) pay for each job.
D) range of jobs.
E) range of pay rates for each pay grade.

48) An advantage of using rate ranges for each pay grade is that it allows for:
A) performance differences.
B) age differences.
C) employer inflexibility.
D) education differences.
E) gender differences.

49) The rate range is usually built around the:
A) job evaluation.
B) Hay system.
C) performance appraisal.

D) wage line or curve.

E) job specialization.

50) Collapsing salary grades and ranges into just a few wide levels or "bands" is called:

A) red circle banding.

B) compensation banding.

C) job specialization.

D) wide banding.

E) broadbanding.

51) Broadbanding facilitates less specialized, boundaryless:

A) leniency and error.

B) division of work.

C) jobs and organizations.

D) job evaluation.

E) geographic dispersion.

52) The problem with having a wage structure with underpaid employees can be solved through raising their wages to:

A) be competitive with other jobs in the firm.

B) the midrange of an employee's pay grade.

C) another pay grade.

D) the maximum of the rate range for their pay grade.

E) the minimum of the rate range for their pay grade.

53) Rates being paid to overpaid employees are often called:

A) silver circle pay rates.

B) excessive pay rates.

C) red circle pay rates.

D) black circle pay rates.

E) premium jobs pay rates.

54) An alternative method to a traditional job evaluation is pay:

A) for skill/competency.

B) for responsibility.

C) for ability.

D) based on seniority.

E) for education.

55) With skill/competency–based pay, employees are not paid for the job they currently hold, but instead for the following EXCEPT:

A) depth of skills.

B) types of skills.

C) knowledge.

D) years of experience.

E) range of skills.

56) There are often more opportunities for advancement with skill–based pay plans than with job–based pay plans because of:

A) the lack of job evaluation.

B) higher base pay.

C) the emphasis on years of experience.

D) the company-wide focus on skill building.

E) less bureaucracy.

57) Experience has shown that competency-based pay is more efficient in the _____ years of its existence.

A) later B) first 10 C) last D) first E) first 5

58) The great challenge of competency-based pay is:

A) competency definition.

B) measurement of skills, abilities and competencies.

C) educational levels of employees.

D) determining base pay.

E) determining bonuses.

59) Quantitative job evaluation systems, primarily the point plan, are widely used in Canada, partly due to:

A) the influence of job specifications on employee behaviour.

B) job descriptions that restrict employee behaviour.

C) employee behaviour that is limited to what is on paper.

D) the requirements of pay equity legislation.

E) the need for hourly jobs to be compared to salaried positions.

60) When developing compensation plans for managers and professionals, job evaluation is central to:

A) benefits.

B) base salary.

C) incentives.

D) bonuses.

E) non-salary issues.

61) Executive compensation tends to emphasize _____ more than for other employees' pay plans.

A) benefits

B) commissions

C) base pay

D) performance incentives

E) salary

62) The following are elements in a manager's compensation package EXCEPT:

A) long-term incentives.

B) salary.

C) short-term incentives.

D) benefits.

E) commission.

63) Executive compensation tends to emphasize performance incentives more than do:

A) stockholders' pay plans.

B) pay plans for boards of directors.

C) pay plans for boards of governors.

D) other employees' pay plans.

E) pay plans for boards of trustees.

64) The general trend in executive compensation today is to decrease the relative importance of _____ and increase the relative importance of short- and long-term executive incentives.

A) perquisites

B) employee benefits

C) pension plans

D) base salary

E) commissions

65) When compensating professional employees, most employers use a:

A) skill–based pay approach.

B) job–based pay approach.

C) job evaluation approach.

D) pay equity approach.

E) market–pricing approach.

66) When compensating professional employees, compensable factors tend to focus on the following EXCEPT:

A) problem solving.

B) technical expertise.

C) creativity.

D) technical knowledge.

E) working conditions.

67) When compensating professional employees, the commonly used job evaluation method is:

A) point.

B) competency.

C) factor comparison.

D) job classification method.

E) ranking.

68) The "wage gap" between men and women is a result of systemic discrimination, as well as the following EXCEPT:

A) experience levels.

B) level of unionization.

C) differences in hours worked.

D) education levels.

E) performance levels.

69) You are the HR professional at a forestry company. You are responsible for implementing a pay equity plan. Which of the following questions would not be beneficial for the purpose of avoiding pay equity problems?

A) Are job duties and responsibilities clearly documented?

B) Are pay equity laws being monitored and adhered to in each province?

C) Have pay equity consultants been hired?

D) Is the pay system clearly documented in a salary administration manual?

E) When was the pay system last reviewed?

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

70) Total rewards refers to all forms of pay or other compensation arising from employment.

71) The two bases upon which to pay employees are increments of performance and seniority.

72) Executive, administrative, and professional employees are included in the overtime requirements of employment/labour standards legislation.

73) Human rights legislation makes it illegal to discriminate in employment because of race, colour, religion, sex, and age.

74) Most of the pay equity acts in Canada focus on four compensable factors––skill, effort, responsibility, and working conditions.

75) The Employment Equity Act provides unemployment compensation for up to 65 weeks for all Canadian workers.

76) Job evaluation involves an informal and unsystematic comparison of jobs to determine the worth of one job relative to another.

77) Management does not have the right to serve on a job evaluation committee, because this would constitute a conflict of interest.

78) In most cases, the union's position is that it is accepting job evaluation only as an initial decision technique and is reserving the right to appeal the actual job–pricing decisions through grievances or bargaining channels.

79) The only way to categorize jobs is to draw up class descriptions and place jobs into classes based on their correspondence to these descriptions.

80) The point method plan of job evaluation identifies several compensable factors, each having several degrees; as well as the degree to which each of these factors is present in the job.

81) The point method of job evaluation is easily explained to employees.

82) Employers usually survey other firms to see if they are paying comparable pay for comparable jobs.

83) Most employers pay just one pay rate for all jobs in a particular pay grade.

84) With skill/competency–based pay, employees are paid for the range, depth, and type of skills and knowledge they are capable of using, rather than for the job currently held.

85) Skill/competency–based and market–based pay entirely eliminates the need for evaluating the worth of one job relative to others in the firm.

86) Classifying jobs, ranking them, or assigning points to them is not applicable to managerial and professional jobs.

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

87) What are the primary steps involved in developing a job evaluation program?

88) Identify the steps involved in developing the job–ranking method of job evaluation.

89) There are several steps in pricing jobs with a wage curve using grades. Explain.

90) Identify and describe several of the minimum standards relating to pay, as set out in employment/labour standards acts.

91) Assenture Inc., a management consulting company, conducted an employee survey which indicated that 25% of junior associates felt their salary was low compared to what senior associates make. The survey also indicated that some senior associates felt that their pay did not match that of senior associates at other consulting companies. Advise Assenture Inc. as to what steps it should take to remedy this problem.

92) Salary surveys play a large role in the pricing of jobs. Discuss some ways to conduct the survey.

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

52) E
53) C
54) A
55) D
56) D
57) D
58) B
59) D
60) B
61) D
62) E
63) D
64) D
65) E
66) E
67) D
68) E
69) C
70) TRUE
71) FALSE
72) FALSE
73) TRUE
74) TRUE
75) FALSE
76) FALSE
77) FALSE
78) TRUE
79) FALSE
80) TRUE
81) TRUE
82) TRUE
83) FALSE
84) TRUE
85) FALSE
86) FALSE
87) The primary steps involved in developing a job evaluation program are: identifying the needs of the program; getting employees' cooperation; and choosing an evaluation committee which carries out the actual job evaluation.
88) The steps involved in developing the job–ranking method of job evaluation are: obtaining job information; grouping the jobs to be rated; selecting compensable factors; ranking jobs; and combining ratings.
89) First, find the average pay for each pay grade; next, plot the pay rates for each pay grade; finally, price jobs.
90) Minimum wage, maximum hours of work, overtime pay, paid vacation, paid statutory holidays, termination pay, record keeping of pay information.
91) Determine the worth of each job within the organization through job evaluation (pick compensable factors such as skill, effort, and responsibility); group similar jobs into pay grades; conduct a salary survey; price each pay grade by using wage curves; fine–tune pay rates.
92) Informal communication with other employees; regularly review newspaper and online job ads; survey employment agencies; use commercial, professional surveys; review online compensation surveys; and conduct formal questionnaire–type surveys with other employers.

Chapter 12

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

1) Popularized by Frederick Taylor in the late 1800s, financial rewards paid to workers whose production exceeds some predetermined standard came into use. These financial rewards are commonly referred to as:
   A) perquisites.
   B) group incentive plans.
   C) piecework plans.
   D) Taylor bonuses.
   E) financial incentives.

2) Today, any plan that ties pay to productivity or profitability is called:
   A) job–based pay.
   B) pay–for–performance.
   C) competency–based pay.
   D) variable pay.
   E) profit–sharing.

3) Aziz is the human resources professional at a consulting engineering company. He has been asked by the executive team to suggest incentives that would most likely motivate the junior engineers who have recently graduated from university and are generally in their mid to late 20's. Which of the following should Aziz suggest?
   A) on–site day care
   B) a luxury cruise
   C) on–site elder care
   D) paid time off to volunteer for charitable organizations
   E) high–end fitness equipment

4) Aziz is the human resources professional at a consulting engineering company. He has been asked by the executive team to suggest incentives that would most likely motivate the senior engineers who have worked in their professional capacity for at least 20 years and are generally in their early 50's. Which of the following should Aziz suggest?
   A) on–site day care
   B) a luxury cruise
   C) a recognition program and adventure travel
   D) adventure travel
   E) paid time off to volunteer for charitable organizations

5) A term plan that refers to any plan that ties pay to productivity or to some other measure of the firm's profitability is called:
   A) a fringe benefit.
   B) a supplemental pay benefit.
   C) a profit–sharing plan.
   D) a quality circle.
   E) variable pay.

6) Accurate _____ are a precondition for effective variable pay plans.
   A) job descriptions
   B) performance appraisals
   C) salary curves
   D) job evaluation
   E) job specifications

7) The following are types of incentive plans EXCEPT:
   A) group incentive programs.
   B) straight salary and commission.
   C) profit–sharing plans.
   D) individual incentive programs.
   E) spot bonuses.

8) A type of incentive plan that gives income over and above base salary to individual employees who meet a specific individual performance standard is a(n):
   A) individual incentive program.
   B) cash bonus system.
   C) spot bonuses.
   D) profit–sharing plan.
   E) straight commission.

9) Amy received $2000 from her employer last week in order to recognize the extra hours. beyond normal work hours, that she had worked in the past month. Which of the following did Amy receive?
   A) retirement income plan
   B) spot bonus
   C) profit–sharing plan
   D) individual incentive program
   E) variable pay plan

10) Amy is part of a team of 4 software developers. Upon completion of a major client project she and each of her team members received a set amount in addition to their base salary. All received the same additional amount. Amy received this payment as part of a:
   A) profit–sharing plan.
   B) individual incentive plan.
   C) gain–sharing program.
   D) spot bonus plan.
   E) group incentive program.

11) A type of incentive plan that generally is organization–wide and that provides employees with a share of the organization's profits in a specified period is a(n):
   A) gainsharing plan.
   B) semi–variable incentive plan.
   C) profit–sharing plan.
   D) individual incentive plan.
   E) group incentive plan.

12) A type of incentive plan that is an organization–wide pay plan designed to reward employees for improvements in organizational productivity is:
   A) variable pay.
   B) a gain–sharing program.
   C) a group incentive program.
   D) a profit–sharing plan.
   E) a spot bonus.

13) The most commonly used and oldest type of incentive plan is this system of pay based on the number of items processed by each individual worker in a unit of time. It is known as a(n):
   A) item plan.

B) piecework plan.
C) gainsharing plan.
D) standard hour plan.
E) process plan.

14) Under this pay system, each worker receives a set payment for each piece produced or processed in a factory or shop. It is known as a:
   A) guaranteed piecework plan.
   B) piecework plan.
   C) process plan.
   D) gainsharing plan.
   E) straight piecework plan.

15) Under this pay system, each worker receives the minimum hourly wage plus an incentive for each piece produced above a set number of pieces per hour. It is known as a:
   A) piecework plan.
   B) guaranteed piecework plan.
   C) gainsharing plan.
   D) straight piecework plan.
   E) minimum hourly wage plan.

16) Ira, the manager of a woodworking business, is considering implementing a piecework incentive plan for the word workers reporting to him. You are an HR consultant he has asked for advice as to the benefits of implementing such a plan. You advise him of all of the following EXCEPT:
   A) they are easily understood by employees.
   B) since the piece rate is quoted on a per-piece basis, in workers' minds, production standards become tied inseparably to the amount of money earned.
   C) piecework plans are simple and easily understood.
   D) the incentive value of piece-rate plans can be powerful since rewards are directly tied to performance.
   E) piece-rate plans appear equitable in principle.

17) The following are disadvantages of a piecework incentive plan EXCEPT:
   A) in workers' minds production standards become tied inseparably to the amount of money earned.
   B) piece-rate plans appear equitable in principle.
   C) workers resist attempts to raise production standards.
   D) employers arbitrarily increase the standard because of workers earning "excessive" wages.
   E) new job evaluation produces a new wage rate; thus piece rates need to be revised.

18) When a worker is rewarded by a percent premium that equals the percent by which his/her performance is above standard, this is known as:
   A) the percent incentive plan.
   B) the premium plan.
   C) the standard hour plan.
   D) gainsharing.
   E) the bonus hour plan.

19) The piecework plan is expressed in monetary terms whereas the standard hour plan is expressed in:
   A) a premium that equals the percent by which his or her performance exceeds standard.
   B) cents per unit of output.
   C) cents per hour.
   D) profits.
   E) dollars per standard.

20) A plan in which a production standard is set for a specific work group, and its members are paid incentives if the group exceeds the production standard, is known as a(n):
   A) team or group incentive plan.
   B) work group plan.
   C) standard hour plan.
   D) excess production plan.
   E) gainsharing.

21) The following are ways that employers use team or group incentive plans EXCEPT:
   A) setting work standards for each member of the group and maintaining a count of the output of each member.
   B) broad criteria such as total labour–hours per final product.
   C) setting a standard that all members receive payment equal to the 75th percentile of the group as a whole.
   D) setting a production standard based on the final output of the group as a whole.
   E) choosing a measurable definition of group performance or productivity that the group can control.

22) The following are reasons to use team incentive plans EXCEPT:
   A) reinforcing problem solving.
   B) facilitating on–the–job training.
   C) reinforcing group planning.
   D) reinforcing individual incentives.
   E) helping ensure collaboration.

23) The chief disadvantage of group plans is that:
   A) a group incentive plan is problematic when conflict arises between group members.
   B) a group incentive plan does not facilitate on–the–job training.
   C) each worker sees his/her effort leading to the desired reward.
   D) each worker's rewards are no longer based just on his/her own efforts.
   E) a group incentive plan may not prove as effective as an individual incentive plan in improving performance.

24) Because of the role managers play in determining divisional and corporate profitability, most employers pay their managers and executives some type of:
   A) gainsharing.
   B) commission.
   C) bonus or incentive.
   D) salary.
   E) hourly wage.

25) A short–term incentive plan that is designed to motivate the short–term performance of managers and is tied to company profitability is called a(n):
   A) eligibility plan.
   B) gainsharing.
   C) commission plan.
   D) annual bonus.
   E) capital accumulation program.

26) Aziz is the human resources professional at a consulting engineering company. He has been asked by the executive team to implement a short term incentive plan for senior managers. The following are basic issues he should consider, with the exception of:

A) eligibility.

 B) salary grade.

C) individual awards.

D) how much to pay out.

 E) fund–size determination.

27) The following are criteria to become eligible for a short–term incentive program:

 A) key position; salary level; salary grade.

 B) position level.

C) length of service.

D) key position; salary grade only.

 E) industry requirements for piece rate production.

28) To determine eligibility in a short–term incentive program, a job–by–job review is conducted to identify the key jobs (typically only line jobs) that have measurable impact on profitability, which is called the criterion of:

A) salary grade.

 B) industry requirements for piece rate production.

C) key position.

D) position level.

 E) salary level.

29) When all employees earning over a threshold amount are automatically eligible for consideration for short–term incentives, this is called the criterion of:

A) key position.

 B) salary–level cutoff point.

C) job clusters.

D) job evaluation.

 E) salary grade.

30) Revlex Inc. has implemented a refinement of the salary cutoff approach to short–term incentive eligibility, which assumes that all managers should be eligible for short–term incentives. This is known as:

A) profit–sharing plans.

 B) key position.

C) performance appraisals.

D) gainsharing.

 E) salary grade.

31) For short term incentives, the term "fund size" means:

A) the amount each employee will receive.

 B) the incentive bonus formula.

C) the company's net income.

D) average capital invested in the business.

 E) the total amount of bonus money that will be available to be paid out.

32) A non–deductible formula is:

A) a straight percentage used to create a short–term incentive fund.

 B) a short–term incentive fund that begins to accumulate only after the firm has met a specified level of earnings.

C) when all employees are earning over the threshold amount.

D) job–by–job review to identify the key formula.

 E) none of the above

33) When a target bonus is set for each eligible position, and adjustments are then made for greater- or less-than-targeted performance, this is called:
   A) an annual bonus.
   B) gainsharing.
   C) retirement income.
   D) a lump-sum bonus.
   E) an individual award.

34) A plan that offers each person a bonus based on the company's results, regardless of the person's actual effort, is called:
   A) profit sharing.
   B) financial incentives.
   C) a lump-sum bonus.
   D) piece-rate production.
   E) gainsharing.

35) With a true individual incentive, it is the manager's individual effort and performance that are rewarded with a(n):
   A) salary.
   B) individual wage.
   C) bonus.
   D) perquisite.
   E) cost-of-living adjustment.

36) In a profit-sharing plan, each participant gets a bonus based on the company's results:
   A) regardless of the participant's actual effort.
   B) combined with the individual effort and performance of each manager.
   C) combined with no other hard-and-fast rules.
   D) factored together with the participant's actual effort.
   E) adjusted for their department's results.

37) In a true individual incentive bonus plan each individual person gets a bonus based on:
   A) group effort and performance.
   B) no hard-and-fast rules.
   C) department productivity.
   D) the same amount, from year to year.
   E) individual effort and performance.

38) One drawback to the split-award approach is that it pays too much to the marginal performer, who, even if his or her own performance is mediocre, at least gets the second, company-based bonus. One way to get around this would be to use the:
   A) individual bonus method.
   B) group incentive plan.
   C) individual award system.
   D) lump-sum bonus method.
   E) multiplier method.

39) Long-term incentives most often reserved for senior executives are called:
   A) capital accumulation programs.
   B) performance achievement plans.
   C) stock appreciation rights programs.

D) stock option programs.

E) book value plans.

40) The following are long–term incentive plans extended to employees EXCEPT:

A) restricted stock plans.

B) stock options.

C) phantom stock plans.

D) retained earnings plans.

E) stock appreciation rights.

41) The right to purchase a specific number of shares of company stock at a specific price during a specified period of time is called a:

A) stock appreciation right.

B) book value plan.

C) stock option.

D) restricted stock plan.

E) phantom stock plan.

42) In these long–term incentive plans, shares are usually awarded without cost to the executive, but with certain restrictions that are imposed by the employer. These plans are called:

A) stock options.

B) restricted stock plans.

C) stock appreciation rights.

D) phantom stock plans.

E) book value plans.

43) Long–term incentive plans whose payment or value is contingent on financial performance measured against objectives set at the start of a multi–year period are called:

A) performance plans.

B) multi–year plans.

C) contingent plans.

D) book value plans.

E) financial plans.

44) Executive compensation is more likely to be effective if it is appropriately linked to:

A) corporate strategy.

B) job evaluation.

C) external issues.

D) internal issues.

E) a cost–reduction strategy.

45) Compensation experts suggest defining the strategic context for the executive compensation plan before creating the package itself by:

A) checking for compliance with all legal requirements.

B) defining external issues that face the company and its business objectives.

C) checking for tax effectiveness.

D) installing a process for review and evaluation whenever a major business change occurs.

E) all of the above

46) Sales compensation plans have typically relied heavily on incentives (sales commissions), although this varies by:

A) geographic location.

B) domestic policy.
C) industry.
D) human resource plan.
E) labour contract.

47) Compensation plans for salespeople have typically relied heavily on incentives in the form of:
    A) profit sharing.
    B) stock appreciation rights.
    C) sales commissions.
    D) stock options.
    E) gainsharing.

48) The most prevalent approach to compensating salespeople is to use a combination of:
    A) salary and stock options.
    B) commission and stock options.
    C) commissions and profit sharing.
    D) salary and commissions.
    E) salary, commission, stock options, and profit sharing.

49) Future Shop, an electronics retailer, is considering removing commission for its sales staff from their compensation plan, and compensating them on a straight salary basis. The following is an advantage of this approach EXCEPT:
    A) straight salaries make it difficult to switch territories or quotas or to reassign salespeople.
    B) straight salaries develop a high degree of loyalty among the sales staff.
    C) salespeople know in advance what their income will be.
    D) the employer has fixed, predictable sales force expenses.
    E) a long–term perspective is encouraged.

50) Paying salespeople according to a plan that compensates them in direct proportion to their sales is called a:
    A) direct compensation plan.
    B) combination plan.
    C) straight salary plan.
    D) commission plan.
    E) proportional compensation plan.

51) There has been a definite movement away from the extremes of straight commission or fixed salary for salespeople to:
    A) pay–for–performance.
    B) merit pay.
    C) combination plans.
    D) variable pay.
    E) incentive plans.

52) The term "merit pay" can apply to incentive raises given to any employees, but is most often used with respect to:
    A) hourly workers.
    B) executives.
    C) blue–collar employees.
    D) salespeople.
    E) white–collar employees.

53) Amy received a salary increase based on her individual performance over the past year. Amy received the

followin g type of compensation:
- A) special awards.
- B) individual increases.
- C) individual bonuses.
- D) individual incentives.
- E) merit pay.

54) The following are reasons why merit pay plans can backfire EXCEPT:
- A) supervisors often tend to minimize differences in employee performance when computing merit raises, to ensure that everyone gets a raise of at least the cost of living.
- B) the usefulness of the merit pay plan depends on the validity of the performance appraisal system–if performance appraisals are viewed as unfair, so too will the merit pay that is based on them.
- C) almost every employee thinks that he or she is an above–average performer, thus being paid a below–average merit increase can be demoralizing.
- D) supervisors often tend to minimize differences in employee performance when computing merit raises.
- E) only pay (or other rewards) tied directly to performance can motivate improved performance.

55) One adaptation of merit pay plans is merit raises that are:
- A) paid in one lump sum once a year.
- B) paid in quarterly installments.
- C) linked to profit sharing.
- D) linked to annual performance appraisals.
- E) linked to group performance.

56) Traditional merit pay plans have the following characteristics:
- A) a merit raise is usually based on corporate performance.
- B) a merit raise is usually based exclusively on group performance.
- C) a merit raise is usually based on individual performance, although the overall level of company profits may affect the total sum for merit raises.
- D) a merit raise is usually based on individual performance only.
- E) a merit raise is based on overall level of company profits.

57) Employees whose work involves the application of learned knowledge to the solution of the employer's problems are referred to as:
- A) executives.
- B) hourly employees.
- C) supervisory employees.
- D) managerial employees.
- E) professional employees.

58) Professional employees almost always reach their positions through prolonged periods of:
- A) formal study.
- B) reference groups.
- C) informal networking.
- D) political influence.
- E) work experience.

59) Studies in industries like pharmaceuticals and aerospace consistently show that firms with the most productive research and development groups have incentive pay plans for their professionals, usually in the form of:
- A) hourly wages.
- B) bonuses.

C) piece–rate incentives.

D) retirement income.

E) merit pay.

60) Non–salary items that professional employees need in order to do their best work include the following EXCEPT:

A) up–to–date facilities.

B) bonuses.

C) support for professional journal publications.

D) supportive management.

E) modern equipment.

61) Many employers have incentive plans in which virtually all employees can participate. They include the following EXCEPT:

A) salary and fringe benefit programs.

B) profit–sharing plans.

C) Scanlon plans.

D) employee stock ownership.

E) deferred profit sharing plans.

62) Untac Inc., a consulting engineering firm, has recently implemented a type of organization–wide incentive plan whereby all full time employees share in the company's profits. Untac Inc. has implemented a:

A) profit–loss plan.

B) piece–rate incentive plan.

C) gainsharing plan.

D) salary and commission plan.

E) profit–sharing plan.

63) When a predetermined portion of profits is placed in each employee's account under the supervision of a trustee, this is called a(n):

A) cash profit–sharing plan.

B) employee trust fund.

C) deferred profit–sharing plan.

D) predetermined account plan.

E) employee trust fund plan.

64) A type of organization–wide incentive plan which usually involves having a corporation contribute shares of its own stock to a trust, and distributes the stock to employees on retirement or separation from service, is referred to as a(n):

A) gainsharing plan.

B) employee trusteeship plan.

C) employee stock ownership plan.

D) individual retirement plan.

E) profit–sharing plan.

65) Research suggests that employee stock ownership plans encourage employees to develop:

A) little interest in unions.

B) a sense of ownership in and commitment to the firm.

C) a lack of interest in their job.

D) an interest in gainsharing.

E) concern about their retirement plan.

66) The following are basic features of the Scanlon plan EXCEPT:
   A) a formula for sharing of benefits.
   B) an identity around which to focus employee involvement.
   C) a philosophy of cooperation.
   D) guaranteed minimum payouts.
   E) competence required from all employees.

67) One feature of the Scanlon plan is a focus on employee involvement, which means the company's mission or purpose must be clearly articulated and employees must fundamentally understand how the business operates in terms of customers, prices, and costs. This is referred to as:
   A) identity.
   B) involvement system.
   C) evaluation of the system.
   D) competence.
   E) entitlement.

68) The Scanlon plan has been quite successful at reducing costs and fostering a sense of sharing and cooperation among:
   A) industrial associations.
   B) global environment associations.
   C) stakeholders.
   D) employees.
   E) employer associations.

69) A type of organization–wide incentive plan that engages many or all employees in a common effort to achieve a company's productivity objectives by sharing the resulting cost savings among employees and the company is referred to as a:
   A) profit–sharing plan.
   B) cost savings plan.
   C) common incentive plan.
   D) productivity plan.
   E) gainsharing plan.

70) Reasons why incentive plans do not work include the following EXCEPT:
   A) performance pay cannot replace good management.
   B) firms do not get what they pay for.
   C) rewards may undermine responsiveness.
   D) rewards rupture relationships.
   E) pay is not a motivator.

71) There are several specific common–sense considerations in establishing any incentive plan. Of primary importance is:
   A) line of sight.
   B) goal setting.
   C) pay–for–performance plans.
   D) superior business results.
   E) relationship building.

72) Sue, the Compensation Analyst, found recent research that indicates that there are seven principles that support effective implementation of incentive plans. They include:
   A) rewards may undermine responsiveness.
   B) group incentives must be complex.

C) link incentives to measurable competencies.

D) firms get what they pay for.

E) none of the above

73) Amish is the human resources professional at a software development company that has experienced high employee turnover over the past year. The CEO has asked him to explain what the most likely primary cause of this is. Amish reports that recent research indicates that the number–one reason that employees leave an organization is:

A) conflict with supervisor.

B) lack of recognition and praise.

C) unattractive benefits.

D) poor leadership.

E) low pay.

74) Employees favour recognition from their _____ by a majority of two–to–one over recognition from other sources.

A) customers

B) mentor

C) supervisor/manager

D) subordinates

E) peers

75) Recognition is important for _____, who are driven by internal motivation.

A) high performers

B) low performers

C) new employees

D) management

E) none of the above

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

76) Frederick Taylor was concerned with the tendency of employees to work at the slowest pace possible and produce at the minimum acceptable level.

77) Employers have put increasing emphasis on variable pay plans in order to maximize their return on human capital.

78) Accurate performance appraisal is a precondition for effective variable pay plans.

79) The oldest and most commonly used type of incentive plan is the standard hour plan.

80) Piecework implies straight piecework, a strict proportionality between results and rewards regardless of the level of output.

81) A disadvantage to the piecework incentive plan is that the incentive value can be powerful, since rewards are directly tied to a percentage of performance that is above standard.

82) The standard hour plan worker is rewarded by a percent premium that equals the percent by which his/her performance is above standard.

83) One approach to using the team incentive plan is to set work standards for each member of the group and maintain a count of the output of each member.

84) A group incentive plan's chief advantage is that each worker's rewards are no longer based solely on his or her own effort.

85) Unlike salaries, short–term incentive bonuses never result in plus or minus adjustments of 25% or more in total pay.

86) Most experts argue that in most organizations managerial– and executive–level bonuses should be tied to both organizational and individual performance.

87) The multiplier method is when a manager whose individual performance was "poor" might not even receive a company performance–based bonus, on the assumption that the bonus should be a product of individual and corporate performance.

88) A stock option is the right to purchase a specific number of shares of company stock at a specific price during a period of time.

89) Compensation plans for salespeople have typically relied heavily on incentives in the form of sales commissions.

90) The term "merit pay" can apply to the incentive raises given to anyone—office or factory, management or non management.

91) Merit pay plans are effective regardless of the validity of the performance appraisal system.

92) Merit pay has both advocates and detractors and is the subject of much debate.

93) Recent research indicates that employees favour recognition from their manager by a margin of 2 to 1 over recognition form other sources.

ESSAY. **Write your answer in the space provided or on a separate sheet of paper.**
94) Explain the incentive piecework plan and note some of its advantages and disadvantages.

95) Identify and explain different ways of using team or group incentive plans.

96) Helen is the Director of Human Resources at a management consulting firm. She has been tasked with designing an annual bonus plan aimed at motivating the short–term performance of managers and executives. Discuss the issues she should consider in designing this plan.

97) Define and discuss the most popular long–term incentive for executives.

98) Compare the salary plan to the commission plan for salespeople.

99) Amir is the Director of Human Resources at a management consulting firm. He has been asked to implement an organization wide incentive plan aimed at increasing employee commitment. Identify and discuss three different organization wide incentive plans Amir should consider.

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

52) E
53) E
54) E
55) A
56) C
57) E
58) A
59) B
60) B
61) A
62) E
63) C
64) C
65) B
66) D
67) A
68) D
69) E
70) B
71) A
72) C
73) B
74) C
75) A
76) TRUE
77) FALSE
78) TRUE
79) FALSE
80) TRUE
81) FALSE
82) TRUE
83) TRUE
84) FALSE
85) FALSE
86) TRUE
87) TRUE
88) TRUE
89) TRUE
90) TRUE
91) FALSE
92) TRUE
93) TRUE
94) The piecework incentive plan is a system where pay is based on the number of items processed by each worker in a unit of time.
Advantages: simple to calculate; equitable in principle; incentive value can be powerful since rewards are tied to performance.
Disadvantages: unsavoury reputation among employees; piece rates are stated in monetary terms; tailor–made for specialized jobs; fosters rigidity.
95) Set work standards for each member of a group and maintain a count of the output of each member. Set a production standard based on the final output of the group as a whole. Simply choose a measurable definition of group performance or productivity that the group can control.
96) **Eligibility** — conduct job–by–job reviews to identify key jobs that have impact on profitability; set salary level

cutoff point, and select salary grade (which assumes all employees at a certain grade or above should be eligible for incentive programs).

Fund determination—amount of bonus money available.

Individual awards—decide on the individual awards to be paid.

97) The stock option is the most popular. A stock option is the right to purchase a specific number of shares of company stock at a specific price during a period of time. The assumption is that the price of the stock will go up, rather than go down or stay the same. It is the wisest choice for providing long–term incentives for top executives.

98) **Salary plans**—salespeople are given a fixed salary with occasional incentives in the form of bonuses, sales contest prizes, etc. The main objective is finding new clients. The firm has fixed expenses; and salespeople know their income.

Commission plans—pays salespeople in proportion to sales; has greatest incentive; attracts high–performing people; sales costs are proportional to sales; and company's selling investment is reduced.

99) Profit–sharing plans, employee share purchase/stock ownership plans, and gainsharing plans, such as the Scanlon plan, are examples of organization wide incentive plans.

Profit–sharing plans provide a share of company profits to all employees in the organization. The problem with such plans is that sometimes the link between a person's efforts and rewards is unclear.

Stock purchase plans provide a vehicle for employees to purchase company stock with their own and sometimes employer contributions.

Gainsharing plans engage employees in a common effort to achieve a company's productivity objectives, and incremental cost–savings are shared among employees and the company.

All these plans are intended to increase employee commitment to the organization.

Chapter 13

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

1) Any indirect financial payments given to employees are known as:
   A) perquisites.
   B) financial incentives.
   C) commissions.
   D) employee benefits.
   E) stock options.

2) Outsourcing benefits administration to a third–party expert has the following advantage(s):
   A) reduced cost.
   B) fewer benefit claims.
   C) reduced cost and enhanced service.
   D) increased employee understanding of benefits.
   E) greater efficiency and consistency, and enhanced service.

3) The following factor(s) is/are expected to increase the cost of benefits:
   A) baby boomers.
   B) looming labour shortage.
   C) employee services.
   D) pension plans.
   E) advances in dental care.

4) The average cost of benefits, as a percentage of payroll, is approximately:
   A) 50%.   B) 37%.   C) 30%.   D) 10%.   E) 25%.

5) A government–sponsored program that provides weekly income benefits if a person is unable to work through no fault of his/her own is usually called:
   A) termination pay.
   B) severance pay.
   C) sick pay.
   D) strike pay.
   E) employment insurance.

6) The EI benefit is generally 55% of average earnings during the last 14 to 26 weeks of the:
   A) previous 52 weeks.
   B) probationary period.
   C) previous calendar year.
   D) qualifying period.
   E) benefit period.

7) The purpose of an SUB plan is:
   A) to facilitate an agreement between an employer and the employees.
   B) to supplement EI benefits by receiving a combined benefit closer to the actual working wage.
   C) to provide benefits separate from EI so that employees can better maintain their standard of living during periods of unemployment.
   D) the result of collective bargaining.
   E) to supplement maternity leave.

8) The three types of benefits provided under the Canada/Quebec Pension Plan are:
   A) retirement, survivor, old age security.

B) retirement, survivor, health care.

C) retirement, disability, survivor.

D) disability, survivor, old age security.

E) retirement, vacation, disability.

9) Workers' compensation is in effect a _____ insurance plan to help employees with work–related injuries or illnesses get well and return to work.

A) "no cost"   B) pension   C) guaranteed   D) "no fault"   E) bureaucratic

10) All parties agree that the best way to manage workers' compensation claims over the long term is:

A) reducing benefits.

B) privatization of workers' compensation.

C) better claims monitoring.

D) accident prevention.

E) instituting employee premiums.

11) Abacus Trucking Ltd. has experienced a rise in workers compensation claims over the past year. You are the Human Resources professional who has been asked what the company can do to reduce the number of claims. You respond that the following are steps the company should take EXCEPT:

A) institute rehabilitation programs for injured or ill workers.

B) discipline workers who have more than one workers' compensation claim.

C) comply with government safety standards.

D) institute effective health and safety programs.

E) provide career counseling to guide employees into less strenuous or stressful jobs.

12) Individualized benefit plans allowed by some employers in order to accommodate employee preferences for benefits are known as:

A) individualized benefits plans.

B) flexible benefits programs.

C) perquisite benefits plans.

D) family–friendly benefits.

E) constrained benefits plans.

13) A benefit that provides pay to an employee when he/she is out of work because of a non–work related injury or illness is called:

A) short–term disability/sick leave.

B) severance pay.

C) hospitalization benefits.

D) unemployment pay.

E) workers' compensation.

14) An employer tactic to minimize the problem of employees' excessive use of sick days would include the following EXCEPT:

A) calling the absent employees at their homes.

B) holding cash prize lotteries for employees with perfect attendance.

C) buying back unused sick leave at the end of the year.

D) increasing the number of sick days for employees.

E) aggressively investigating all absences.

15) The amount of time off provided for bereavement leave varies by jurisdiction, and also depends on:

A) the reason for the death.

B) family circumstances.

C) the employee's length of service.

D) the closeness of the relationship between the employee and the deceased.

E) the location of the funeral.

16) One or more of parental, paternity, and adoption leaves are provided in each Canadian jurisdiction. These leaves range from _____ weeks to _____ weeks.

A) 6, 12	B) 9, 25	C) 2, 15	D) 8, 52	E) 12, 24

17) Employees in Ontario and the federal jurisdiction may be eligible for _____ in certain termination situations, in addition to pay in lieu of notice.

A) terminal pay

B) unemployment pay

C) exit pay

D) notice pay

E) severance pay

18) An employer is required to provide advance notice to an employee whose employment is being terminated, unless the employee is working on a short-term contract or:

A) the employee works outdoors.

B) the employee is eligible for early retirement.

C) the company is shutting down.

D) a mass layoff is occurring.

E) the employee is being fired for just cause.

19) Some provinces require additional termination pay when mass layoffs occur. The amount of additional pay depends on:

A) the reasons for the layoff.

B) the employee's length of service.

C) the time of year.

D) the level of unemployment in the region.

E) the number of employees being laid off.

20) A type of life insurance providing for lower rates than for individual insurance, and including all employees, regardless of health or physical condition, is called:

A) whole life insurance.

B) universal life insurance.

C) term insurance.

D) group life insurance.

E) endowment insurance.

21) Group life insurance is usually provided in the amount of:

A) five years' salary.

B) $25,000.

C) one year's salary.

D) $100,000.

E) two years' salary.

22) The benefit that provides a fixed lump-sum benefit in addition to life insurance benefits when death is accidental is:

A) survivors' benefit.

B) major medical insurance.

C) health insurance.

D) dental coverage.
E) accidental death and dismemberment insurance.

23) Critical illness insurance provides:
   A) coverage providing a fixed lump–sum benefit in addition to life insurance benefits when death is accidental.
   B) money to an employee paid in incrementals for critical illness.
   C) a deductible expense per year that gives money for expensive new drugs.
   D) coverage for prescription drugs.
   E) coverage providing a lump–sum benefit to an employee who is diagnosed with a life–threatening illness.

24) The benefits that form the cornerstone of almost all benefits programs are:
   A) life insurance and long–term disability.
   B) long–term disability and pension plan.
   C) life insurance, long–term disability, and supplementary health care/medical insurance.
   D) life insurance and supplementary health care/medical insurance.
   E) life insurance and pension plan.

25) Employers provide supplementary health care/medical insurance to provide protection for employees against the following costs EXCEPT:
   A) physician's fees.
   B) private duty nursing.
   C) physiotherapy.
   D) medical supplies.
   E) prescription drugs.

26) Common health–related insurance plans other than supplementary health care/medical insurance include the following:
   A) chronic illness benefits; vision care; dental care.
   B) group legal insurance.
   C) vision care; physiotherapy.
   D) vision care; hearing aids; dental care.
   E) vision care; psychological counseling; dental insurance.

27) The amount of health/dental expenses an employee must pay before insurance benefits will be paid is called:
   A) workers' compensation.
   B) dental coverage.
   C) the deductible.
   D) coinsurance.
   E) life insurance.

28) The biggest issue facing benefits managers in Canada today is:
   A) AIDS coverage.
   B) increasing health care benefit costs.
   C) workers' compensation costs.
   D) pension funding.
   E) retiree benefits.

29) The main reasons for increasing health care benefit costs are:
   A) increasing workers' compensation claims for occupational illness, and expensive new drugs.
   B) psychiatric disabilities and AIDS.

C) "cost cutting" in provincial health care plans, and the AIDS epidemic.

D) increasing use of expensive new drugs, rising drug utilization, and "cost cutting" reductions in provincial health care plans.

E) rising drug utilization and expensive new drugs.

30) Canadian employers pay about _____% of all health care expenses in Canada, most of which is for prescription drugs.

A) 25   B) 30   C) 50   D) 36   E) 40

31) A "golden parachute" is an executive perk in the form of a salary guarantee in the following circumstances:

A) death of the executive in a work–related accident.

B) targeting of the company for acquisition or merger.

C) divorce from spouse.

D) termination of employment.

E) overseas transfer.

32) The percentage of expenses (in excess of the deductible) that are paid for by the insurance plan is called the:

A) uninsured amount.

B) assessment.

C) coinsurance level.

D) premium.

E) insured amount.

33) The simplest approach to reducing health benefit costs is to increase the amount of health care costs paid by:

A) employees.

B) provincial governments.

C) smokers.

D) the federal government.

E) workers' compensation plans.

34) Approaches to health care benefit cost reduction include the following EXCEPT:

A) publish a restricted list of drugs that will be paid for under the plan.

B) increasing government subsidies.

C) risk–assessment programs.

D) health promotion.

E) increase the amount of health care costs paid by employees.

35) Employers can reduce the cost of retiree benefits in the following ways EXCEPT:

A) increasing costs paid by workers' compensation.

B) tightening eligibility requirements.

C) increasing deductibles.

D) reducing maximum payouts.

E) increasing retiree contributions.

36) Executive perquisites are usually provided to:

A) executives with base salaries of $100,000 or more.

B) head office executives.

C) the CEO and the president.

D) only a few top executives.

E) all executives.

37) Disability management is a:

    A) proactive, employer–centred process.

    B) proactive, employer–centred process that coordinates activities of the employer, the insurance company, and health care providers.

    C) process that coordinates the activities of employer and employee.

    D) reactive, employer–centred process.

    E) proactive, employee–centred process.

38) Effective disability management programs include:
    A) a required company medical.
    B) early and safe return–to–work policies.
    C) remedial programs.
    D) monitoring worker's compensation.
    E) monitoring sick leave plans.

39) One of the most common approaches to returning a worker with a disability to work is:
    A) providing termination pay.
    B) prevention programs.
    C) early assessment and intervention.
    D) reduced work duties.
    E) providing additional compensation.

40) Costs associated with mental health problems relate to:
    A) increased drug usage.
    B) younger workers.
    C) short–term disability and increased drug usage.
    D) short– and long–term disability.
    E) long–term disability and increased drug usage.

41) The fastest growing occupational disabilities are:
    A) chronic fatigue.
    B) repetitive strain injuries.
    C) HIV/AIDS–related.
    D) back problems.
    E) psychiatric.

42) The most common psychiatric disability is:
    A) multiple personality disorder.
    B) schizophrenia.
    C) depression.
    D) anxiety attacks.
    E) obsessive–compulsive disorder.

43) A Harvard University study projects that, by 2020, _____ will become the biggest source of lost workdays in developed countries.
    A) depression
    B) occupational illness
    C) psychiatric illness
    D) work–related illness
    E) anxiety attacks

44) Many companies are trying to reduce the cost of psychiatric disabilities in the following ways EXCEPT:
    A) psychiatric counseling.

B) employment testing.
C) prevention programs.
D) early intervention programs.
E) peer support groups.

45) Unlike government-provided retirement benefits, employer-sponsored pension plans are:
   A) formalized.
   B) pre-funded.
   C) restricted to deferred profit sharing.
   D) invested in foreign securities.
   E) easily managed.

46) A type of pension plan that contains a formula for determining retirement benefits so that the actual benefits to be received are defined ahead of time is called a:
   A) retirement plan.
   B) deferred profit-sharing plan.
   C) defined benefit pension plan.
   D) defined contribution pension plan.
   E) money purchase pension plan.

47) A type of pension plan that specifies what contribution the employer will make to a retirement or savings fund set up for the employee is called a:
   A) deferred profit-sharing plan.
   B) government-sponsored plan.
   C) defined contribution pension plan.
   D) retirement plan.
   E) defined benefit pension plan.

48) A type of retirement plan that does not guarantee the eventual pension benefit an employee will receive at retirement, but only what the employee and employer contributions to the plan will be, is called a:
   A) deferred profit-sharing plan.
   B) government-sponsored plan.
   C) defined benefit pension plan.
   D) retirement plan.
   E) defined contribution pension plan.

49) A pension plan in which a certain amount of profit is credited to each employee's account, payable at retirement, termination, or death, is a:
   A) group RRSP.
   B) group pension plan.
   C) defined contribution plan.
   D) defined benefit pension plan.
   E) deferred profit-sharing plan.

50) Group RRSP/DPSP combinations are popular in Kerrie's company and commonly popular in Canada. Kerrie found this out because:
   A) they increase severance payments.
   B) no tax is paid until money is received from the plans at the time of employee's death.
   C) no tax is paid at all.
   D) membership is automatic upon beginning employment.
   E) employer's provide contribution to them.

51) In a contributory pension plan, contributions are made by:
    A) the government and the employer.
    B) the employee only.
    C) the government and the employee.
    D) both the employer and the employee.
    E) the employer only.

52) Defined benefit plans are expected to remain in large organizations with a norm of:
    A) high turnover.
    B) early retirement incentives.
    C) layoffs.
    D) long tenure.
    E) unionization.

53) A provision in pension plans referring to the money contributed by the employer that has been placed in a pension fund and cannot be forfeited for any reason is:
    A) investing.
    B) vesting.
    C) non–funding.
    D) bonding.
    E) stockholder equity.

54) In most provinces, employer pension plan contributions must be vested once the employee has completed _____ years of service.
    A) 2   B) 3   C) 4   D) 1   E) 5

55) A pension provision whereby employees who change jobs can transfer the lump sum value of the pension they have earned to a locked–in RRSP or their new employer's pension plan is:
    A) portability.
    B) flexible pensions.
    C) a non–locked–in provision.
    D) vesting.
    E) non–funding.

56) Once an employee is vested, he or she will not receive any benefit from the pension plan until:
    A) termination.
    B) disability.
    C) 30 years of service.
    D) changing jobs.
    E) retirement.

57) Family–friendly benefits options include the following EXCEPT:
    A) alternative transportation options.
    B) subsidies for paid parental leave.
    C) a casual dress code.
    D) outsourcing benefits administration.
    E) telecommuting.

58) Employers who offer a defined contribution pension plan must pay careful attention to their obligation to educate and inform plan members about:
    A) early retirement incentives.
    B) pension vesting.

C) pension investments.

D) pension benefits formula.

E) pension portability.

59) Employers must pay careful attention to their obligation to educate plan members about pension investment. They must also:

A) inform.

B) advise.

C) provide quarterly bulletins.

D) cousel.

E) provide sessions.

60) The looming labour shortage when baby boomers start retiring is resulting in employers seeking to retain older employees. Mel's organization is experiencing this issue. One program to support this issue is:

A) defined contribution pension plans.

B) supplemental employee retirement plans.

C) phased retirement.

D) defined benefit pension plans.

E) RRSPs.

61) The following are personal services that most employees need at one time or another EXCEPT:

A) social/recreational opportunities.

B) counseling.

C) clerical services.

D) employee assistance plans.

E) credit unions.

62) The following are counseling services employers are providing to their employees EXCEPT:

A) family counseling.

B) preretirement counseling.

C) career counseling.

D) real–estate counseling.

E) financial counseling.

63) A formal employer program for providing employees with counseling and/or treatment programs for problems such as mental health issues, marital/family problems, legal problems or stress is called a(n):

A) AA and NA program.

B) employee assistance program.

C) legal aid benefits.

D) rehabilitation program.

E) employee services benefit.

64) A job–related services benefit that is designed to help employees who must help elderly parents or relatives who are not fully able to care for themselves is known as:

A) on–site eldercare.

B) aging care.

C) family medical care.

D) personal care.

E) eldercare.

65) The number of EAPs in Canada is growing because they are a proactive way for organizations to reduce:

A) disciplinary costs.

B) disability costs.
C) supervisory training costs.
D) counseling costs.
E) employee services costs.

66) The following are various social and recreational opportunities extended to the employees EXCEPT:
   A) craft activities.
   B) annual summer picnics.
   C) pre–retirement counseling.
   D) parties.
   E) athletic events.

67) Based on survey data, the following are benefits to employers who institute subsidized day care centres EXCEPT:
   A) lower performance appraisals.
   B) enhanced recruitment.
   C) lower turnover.
   D) increased productivity.
   E) lowered absenteeism.

68) To date, the evidence regarding the actual effects of employer–sponsored child care on employee absenteeism, turnover, productivity, recruitment, or job satisfaction is:
   A) neutral, with some positive and some negative effects.
   B) positive, without consideration of obstacles or attitudes toward work.
   C) positive, with respect to reducing obstacles in coming to work and improving workers' attitudes.
   D) negative, in respect to employees' attitudes.
   E) positive, with respect to increasing obstacles in coming to work.

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

69) Employee benefits are available to specific employees and do not include health and life insurance, vacations and child care facilities.

70) The EI program is funded solely by contributions from eligible employees.

71) Unemployment benefits are meant for workers who are unable to work through no fault of their own.

72) The Canada/Quebec Pension Plan provides three types of benefits: retirement income, survivor benefits, and disability benefits.

73) The provincial and federal governments both contribute funds for workers' compensation.

74) Eligibility requirements for vacations (in excess of the legislated minimum amount) vary from firm to firm.

75) Unpaid leaves of absence are costless for employers.

76) Employees who work during the notice period provided by the employer before employment is terminated receive a lump sum payment called "pay in lieu of notice."

77) Most group life insurance plans contain a provision for including all employees regardless of health or physical condition.

78) Accidental death and dismemberment coverage provides annuity payments in addition to life insurance

benefits   when death is accidental.

79) Employers are not required to disclose liabilities related to retiree benefits.

80) A defined benefit pension plan contains a formula.

81) Melanie has a defined contribution pension plan. She will know the actual benefits she will get ahead of time.

82) Eldercare is designed to help older employees who are not fully able to care for themselves.

83) Some employers provide subsidized employee transportation.

84) A flexible benefits plan may include certain non–optional items.

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

85) Briefly describe the four major government–sponsored employee benefits in Canada.

86) List some of the employee benefits that an employer may offer.

87) Explain the key policy issues to be considered when an employer develops a pension plan to meet his/her own unique needs.

88) Briefly outline the various types of executive perquisites.

89) Explain the advantages and disadvantages of flexible benefits plans.

90) Explain three strategies for reducing health–benefit costs.

91) Discuss the differences between a defined benefit and a defined contribution pension plan.

92) Explain what an EAP offers employees.

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

52) D
53) B
54) A
55) A
56) E
57) D
58) C
59) A
60) C
61) C
62) D
63) B
64) E
65) B
66) C
67) A
68) C
69) FALSE
70) FALSE
71) TRUE
72) TRUE
73) FALSE
74) TRUE
75) FALSE
76) FALSE
77) TRUE
78) FALSE
79) FALSE
80) TRUE
81) FALSE
82) FALSE
83) TRUE
84) TRUE
85) **Employment Insurance (EI):** provides income benefits if a person is unable to work through no fault of his or her own.

Canada/Quebec Pension Plan (C/QPP): programs that provide three types of benefits– retirement income, survivor/death benefits, and disability benefits. Benefits are payable only to workers who make contributions to the plans and/or their family members.

Workers' Compensation: provides income and medical benefits to victims of work–related accidents or illnesses and/or their dependents, regardless of fault.

Vacations & Holidays: provides minimum amount of paid vacation, usually 2 weeks per year.
86) Vacations and holidays; short–term disability/sick leave; pay on termination of employment; life insurance; supplementary health care/medical insurance; long–term disability insurance; dental insurance; retirement benefits.
87) **Membership requirements** – what age or years of service do employees need to become eligible?

Benefit formula – ties pension to employee's final earnings.

Retirement requirements – standard or early retirement options.

Funding – whether the plan will be contributory or noncontributory.

Vesting – at what time will employer money placed in the pension fund not be forfeited for any reason.

Portability – transfer money to another employer's pension plan or to a locked–in RRSP upon termination of employment.
88) management loans; salary guarantees/golden parachutes; financial counseling; relocation benefits; outplacement assistance; chauffeur–driven limousines; company jets and yachts; club memberships; fitness programs; company

cars; erge service; Caribbean vacation property; executive dining room; tax assistance; expense accounts; season tickets; conci credit cards; subsidized children's education.

89) **Advantages:** employees choose benefits packages that best satisfy their unique needs; flexible benefits help firms meet the changing needs of a changing workforce; increased involvement of employees and families improves understanding of benefits; flexible plans make introduction of new benefits less costly; cost containment (the organization sets a dollar maximum and the employees choose within that constraint).
   Disadvantages: employees make bad choices and find themselves not covered for predictable emergencies; administrative burdens and expenses increase; adverse selection (employee's only pick benefits they will use, and the high benefit utilization increases costs).

90) increase the amount of health–care costs paid by employees; restrict the drugs covered to those on a published list; health promotion.

91) A defined benefit pension plan contains a formula for determining retirement benefits. It is most beneficial for long–term service employees. Employers must provide the final pension notwithstanding the pension's health. The actual benefits to be received are defined ahead of time. A defined contribution pension plan specifies what contribution the employer will make to a retirement fund set up for the employee. This plan does not define the eventual benefit amount, only the periodic contribution to the plan. The employee is responsible for the final pension amount. In a defined benefit pension plan, the employee knows ahead of time what his or her retirement benefits will be on retirement. With a defined contribution plan, the employee cannot be sure of his or her retirement benefits until retirement, when his or her share of the money in the fund is used to buy an annuity.

92) An EAP (Employee Assistance Plan) is a formal employer program that provides employees with confidential counseling and/or treatment programs for problems such as mental health issues, marital/family problems, work/life balance issues, stress, legal problems, substance abuse etc.

Chapter 14

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

1) Safety and accident prevention concerns managers because:
   A) employees need to be motivated.
   B) work-related accidents figures are staggering.
   C) cutting costs is essential.
   D) of global competition.
   E) customer service is extremely important.

2) A 2005 IPSO-Reid poll conducted for WorkSafe BC and the Association of Workers' Compensation Boards of Canada found that _____ percent of Canadians believe that workplace accidents are inevitable.
   A) 61   B) 50   C) 64   D) 52   E) 75

3) Occupational health and safety legislation is based on the principle of:
   A) education.
   B) joint responsibility.
   C) participation.
   D) complexity.
   E) due diligence.

4) Occupational health and safety legislation falls into three categories. One of the categories is:
   A) rules for specific industries.
   B) safety inspections.
   C) WHMIS.
   D) protective clothing.
   E) workplace injuries.

5) The "due diligence" requirement in occupational health and safety legislation requires that every reasonable precaution to ensure the health and safety of workers be taken by:
   A) employees.
   B) government.
   C) employers and employees.
   D) safety associations.
   E) employers.

6) If employees have "reasonable cause" to believe that work is dangerous, they have the right under health and safety legislation to:
   A) go straight to the company president and complain.
   B) ignore their concern.
   C) ask someone else to do the work.
   D) file a lawsuit against the company.
   E) refuse to do the work.

7) A supervisor at a mine site sent employees reporting to him into the mine even though he had read a report stating that underground tremors were likely to occur during the time that the employees were in the mine. Three hours into the employees' work shift a significant tremor occurred causing part of the mine to collapse. One employee was killed and three others were seriously injured. Under what law could the supervisor be charged with a criminal offense?
   A) Human Rights legislation
   B) The Criminal Code
   C) Employment standards Legislation

D) Employment Standards Act

E) Occupational Health and Safety Act

8) The function of joint health and safety committees is to provide a _____ atmosphere where management and labour can work together to ensure a safe and healthy workplace.
   A) supportive
   B) non–adversarial
   C) collegial
   D) directive
   E) structured

9) Most occupational health and safety legislation in Canada has the following features in common EXCEPT:
   A) enforcement of occupational health and safety laws.
   B) employee drug testing.
   C) joint health and safety committees.
   D) control of toxic substances.
   E) responsibilities and rights of employers and employees.

10) Health and safety hazard control can be achieved by the following EXCEPT:
   A) establishing procedures to ensure that a potential hazard will not reoccur.
   B) addressing safety issues before accidents happen.
   C) refusing to do unsafe work.
   D) identifying ways in which a hazardous situation can be prevented by workers.
   E) addressing safety issues before injuries occur.

11) The responsibilities of occupational health and safety committees include the following EXCEPT:
   A) dissemination of information about health and safety laws and regulations.
   B) investigation of employee complaints.
   C) hazard identification.
   D) accident investigation.
   E) paying for safety certification programs.

12) Occupational health and safety inspectors have the following powers EXCEPT:
   A) to issue orders to stop emission of contaminants.
   B) to carry out safety inspections of workplaces.
   C) to issue orders to stop work.
   D) to enter a workplace at any time without a warrant or prior notification.
   E) to impose jail terms.

13) You are a newly hired human resources professional at a Canadian Border Services office located near the Halifax Port. Employees often have to board container ships and search their cargo. To which law do you look for Canada–wide standards on hazardous materials in the workplace:
   A) MSDS.   B) WHMIS.   C) OHSA.   D) Bill C–45.   E) VDT/RSI.

14) The components of WHMIS are:
   A) labelling of hazardous material; public information sessions; MSDS.
   B) labelling of hazardous material; employee training.
   C) labelling of hazardous material; MSDS; employee training.
   D) MSDS; employee training.
   E) public information sessions; MSDS; employee training.

15) Every jurisdiction in Canada has an interlaced web of legislation, including:

A) human rights; labour relations; employment standards.

B) health and safety; WHMIS; employment standards.

C) health and safety; human rights; labour relations; employment standards.

D) labour relations; employment standards.

E) health and safety; human rights.

16) Most safety experts agree that safety commitment must begin with:

A) work teams.

B) the line supervisor.

C) top management.

D) middle management.

E) the rank-and-file employee.

17) An attempt to reduce unsafe acts by workers will meet with little success without the commitment of the critical link in the chain of management, namely:

A) company presidents.

B) competitors.

C) first-line supervisors.

D) government officials.

E) safety inspectors.

18) The following are the main causes of accidents in organizations:

A) chance occurrences; unsafe conditions.

B) unsafe conditions; cost cutting.

C) chance occurrences; unsafe conditions; unsafe acts on the part of employees.

D) ineffective health and safety committees; cost cutting.

E) unsafe acts on the part of employees.

19) Mechanical and physical conditions that cause accidents are referred to as:

A) hazards.

B) unsafe conditions.

C) perils.

D) safety risks.

E) toxic substances.

20) The following are unsafe conditions in a plant EXCEPT:

A) hazardous procedures in, on, or around machines or equipment.

B) improper illumination such as glare and insufficient light.

C) computers that are not protected from viruses.

D) defective equipment.

E) improperly guarded equipment.

21) Common indicators of job hazards include the following EXCEPT:

A) employee modifications to workstations.

B) low levels of absenteeism and turnover.

C) employee complaints.

D) poor product quality.

E) increased number of accidents.

22) In addition to unsafe conditions, the following are work-related factors that contribute to accidents:

A) the job itself; work schedule; psychological climate of the workplace.

B) work schedule; the job itself.

C) work schedule; psychological climate of the workplace.
D) psychological climate of the workplace; work itself.
E) none of the above.

23) According to the Association of Workers' Compensation Boards of Canada, in 2007 there were _____ deaths and 317, 524 injuries resulting from accidents at work.

A) 25   B) 15,000   C) 1055   D) 250   E) 500

24) Many experts believe that the psychological climate of the workplace affects:
   A) labour relations.
   B) teamwork.
   C) the management rights clause.
   D) the external environmental workforce.
   E) the accident rate.

25) Most safety experts and managers know that it is impossible to eliminate accidents just by reducing:
   A) hours of work.
   B) unsafe conditions.
   C) high–tech firms.
   D) automation in the workplace.
   E) gross domestic product.

26) Accidents can be caused by behaviour tendencies and undesirable attitudes that result in:
   A) occupational hazards.
   B) accident–prone acts.
   C) unsafe human conditions.
   D) unsafe acts.
   E) at–risk behaviours.

27) Personal characteristics such as personality and motivation serve as the basis for certain unsafe "behaviour tendencies," such as:
   A) the tendency to take risks.
   B) formulating policy and creating norms.
   C) creating human resource plans and environmental forces.
   D) focusing on detail rather than the "big picture."
   E) deciding whether to join or not join a labour union.

28) A person who is accident prone on one job may not be on a different job–thus accident proneness is:
   A) situational.   B) inherited.   C) age–related.   D) consistent.   E) unchanging.

29) Accidents are generally most frequent between the ages of 17 and 28, declining thereafter to reach a low:
   A) in the late forties and fifties.
   B) at age 65.
   C) in the late fifties and sixties.
   D) in the late thirties and forties.
   E) in the late twenties and thirties.

30) One researcher concludes that a worker who reacts more quickly than he/she can perceive is:
   A) more likely to have accidents.
   B) no better off with respect to frequency of accidents than others.
   C) less likely to have accidents.
   D) a safe worker.

E) definitely not accident prone.

31) You are the new human resources professional at a plastics manufacturing company. In improving the workplace health and safety program, which basic activities should you focus on?
   A) reducing unsafe conditions and unsafe acts
   B) turmoil and morale in the plant
   C) healthy labour–management relations
   D) policies and procedures within the department
   E) pro–union or non–union voting

32) You are the new human resources professional at a plastics manufacturing company. Which of the following tests human traits that might be related to accidents on a specific job, and could be used to determine whether test scores are related to accidents on the job?
   A) intelligence tests
   B) emotional stability and personality tests
   C) literacy tests
   D) measures of muscular coordination and visual skills
   E) self–awareness tests

33) You are the new human resources professional at a plastics manufacturing company and you are tasked with designing the firm's new safety training program. This program should include the following EXCEPT:
   A) warnings of potential hazards.
   B) development of worker awareness about health and safety issues.
   C) computer–integrated manufacturing.
   D) emphasis on appropriate workplace behaviour.
   E) instructions on safe work practices and procedures.

34) Amin is the manager of an auto parts manufacturing plant in Oakville, Ontario. The plant has experienced a rise in workplace injuries over the past year. Amin is considering which questions he can ask during candidate interviews. Which of the following questions would NOT pose a legal risk to the company if he asked it?
   A) Do you know of any reason that you would not be able to perform the essential functions of this job?
   B) Are you currently being compensated for a workplace injury?
   C) Have you ever been injured at work?
   D) Have you suffered from a workplace related illness?
   E) How many workers compensation claims have you filed?

35) Unsafe acts can be reduced by using a behavioural approach, specifically:
   A) positive reinforcement.
   B) extinction.
   C) negative reinforcement.
   D) behaviour modification.
   E) discipline.

36) One of the most consistent findings in the literature is that successful safety programs require:
   A) strong management commitment.
   B) career development.
   C) behaviour modification.
   D) achievement.
   E) employee teams.

37) Senior management commitment to safety is demonstrated in the following ways EXCEPT:

A) giving the company safety officer high rank and status.
B) senior managers being personally involved in safety activities on a routine basis.
C) giving safety matters high priority in company meetings.
D) minimizing the organization's investment in safety equipment.
E) including safety training in new workers' training.

38) Workers' compensation premiums for employers are proportional to:
   A) the variety of different jobs being done by workers.
   B) the safety reputation of the firm.
   C) the number of employees in the firm.
   D) the number of workers' compensation claims (experience rate).
   E) the location of the workplace.

39) After a workplace accident occurs, the employer can reduce workers' compensation claims in the following ways EXCEPT:
   A) provide first aid and ensure that the injured worker gets medical attention.
   B) make it clear to the worker that the employer is interested in the employee and his or her fears and questions.
   C) file any required accident reports.
   D) document the accident.
   E) tell the worker to take as much time off as necessary.

40) Perhaps the most important and effective thing that an employer can do to reduce workers' compensation costs is to develop an aggressive:
   A) accident investigation program.
   B) health and safety program.
   C) return-to-work program.
   D) accident-reporting program.
   E) loss-control program.

41) Wellness programs take a _____ approach to employee well-being, as opposed to EAPs, which take a _____ to employee health issues.
   A) proactive, reactive
   B) proactive, proactive
   C) reactive, proactive
   D) reactive, reactive
   E) none of the above

42) A program that takes a proactive approach to employee health and well-being is called:
   A) an employee assistance program.
   B) workplace accommodation.
   C) management by objectives.
   D) a loss-control program.
   E) an employee wellness program.

43) A number of health-related issues and challenges can undermine employee performance at work. These include the following EXCEPT:
   A) workplace violence.
   B) smoking.
   C) workplace toxins.
   D) alcoholism and substance abuse.
   E) employee welfare programs.

44) Maike is a supervisor of a team of oil rig workers. She has discovered that two of her direct reports have a substance abuse problem. Which of the following actions should she take?
   A) Regardless of suspicion of substance abuse, only focus on the work to be performed by the employee.
   B) Fire the employees if they are unfit to work.
   C) She should ask the employees to see the HR representative since supervisors are never the company's first line of defense with employee substance abuse issues.
   D) Make a written record of observed behaviour and follow–up on each incident.
   E) Troubled employees should be escorted to the organizational psychologist's office for counseling.

45) The following are the traditional techniques used for dealing with worker alcoholism and substance abuse problems EXCEPT:
   A) disciplining.
   B) referral to an outside agency.
   C) outplacement counselling.
   D) discharge.
   E) in–house counselling.

46) Specific actions that employers can take to deal with employee alcoholism include the following EXCEPT:
   A) use of outside agencies such as clinics and AA.
   B) taking personal responsibility for the employee.
   C) referral to EAP programs.
   D) use of treatment centres.
   E) in–house counselling through the HR department or medical staff.

47) In Canada, when dealing with alcohol and substance abuse, employers must balance conflicting legal obligations from occupational health and safety legislation and:
   A) employment equity/pay equity legislation.
   B) human rights and privacy laws.
   C) WHMIS.
   D) employment standards legislation.
   E) Charter of Rights and Freedoms.

48) An employer's best approach in dealing with substance abuse is a clear, well–communicated policy based on the following components EXCEPT:
   A) employee access to confidential assistance programs.
   B) a zero tolerance policy.
   C) prohibition of alcohol and drug use during work hours, and company special events.
   D) supervisory training.
   E) disciplinary measures for infractions.

49) There are two main sources of job stress:
   A) environmental factors and poor supervision.
   B) environmental factors and personal factors.
   C) personal factors and unclear company direction.
   D) personal factors and inconsistent performance management.
   E) having a lack of control over work and environmental factors.

50) The consequences of job stress include the following EXCEPT:
   A) anxiety.
   B) depression.
   C) accidents.

D) anger.

E) job satisfaction.

51) Too little stress can create:

A) creativity.

B) accidents.

C) anxiety.

D) employee commitment.

E) boredom and apathy.

52) Abacus Inc., a mining company, recently polled its employees about the level of stress they experience at work. The survey indicated that 45% of employees experience moderate to high levels of stress. Which of the following would not be an appropriate measure for managing workplace stress at this company?

A) Provide career planning to ensure the employee moves toward a job that makes sense in terms of his or her aptitude.

B) Monitor each employee's performance to identify symptoms of stress.

C) Insist on strict deadlines for all work projects.

D) Use attitude surveys to identify organizational sources of stress.

E) Ensure effective person–job match.

53) The total depletion of physical and mental resources caused by excessive striving to reach some unrealistic work–related goal is referred to by the term:

A) nervous breakdown.

B) stress–related illness.

C) obsessive–compulsive disorder.

D) burnout.

E) emotional instability.

54) Virtually all of the energies of burnout victims are focused on:

A) commitment to the organization.

B) family matters.

C) getting a promotion.

D) client problems.

E) attaining unrealistic work–related goals.

55) The art of fitting the workstation and work tools to the individual is known as:

A) workplace accommodation.

B) retooling.

C) retrofitting.

D) ergonomics.

E) due diligence.

56) Warning signs of repetitive strain injury include the following EXCEPT:

A) tightness or stiffness in the hands, elbow, wrists, shoulder and neck.

B) hands falling asleep.

C) headaches.

D) numbness and tingling in fingertips.

E) frequent dropping of tools.

57) Ergonomics will become more and more important as the workforce ages and requires accommodation of physical changes in the following EXCEPT:

A) hand function.

B) tolerance for pain.

C) cardiovascular capacity.

D) vision.

E) muscular strength.

58) Short–term eye problems like burning, itching, and tearing as well as eye strain and eye soreness are common complaints among:

A) video display operators.

B) human resources managers.

C) accountants and bookkeepers.

D) students.

E) industrial engineers.

59) General recommendations regarding the use of video display operators include the following EXCEPT:

A) maximum amount of sunlight.

B) complete preplacement vision exam.

C) adequate employee rest breaks every hour.

D) work station designed for maximum flexibility.

E) glare reduction with devices such as antiglare shades over windows and terminal screens.

60) The leading cause of work–related deaths around the world is:

A) mental disorders.

B) communicable diseases.

C) cancer.

D) accidents/violence.

E) none of the above.

61) There is an erroneous perception that cancer–causing agents in the workplace are:

A) increasing in significance.

B) affecting management's position in collective bargaining.

C) increasing costs for employers.

D) disappearing.

E) affecting men and women in the same way.

62) In general, when compared to non–smoking employees, smokers exhibit the following characteristics EXCEPT:

A) reduced productivity.

B) higher disability claims.

C) endangering of coworkers who breathe smoky air.

D) higher turnover.

E) greater risk of occupational accidents.

63) Smoking in the workplace creates the following costs for an employer EXCEPT:

A) reduced productivity.

B) increased attendance.

C) higher supplementary health care/medical insurance costs.

D) significantly greater risk of occupational accidents.

E) higher disability insurance costs.

64) Victims of workplace violence are generally:

A) construction workers.

B) women in health care professions.

C) police officers.
D) postal workers.
 E) convenience store clerks.

65) An employer may be sued directly by the victim of an employee's violent act on the basis of:
    A) negligence in hiring.
     B) malice and larceny.
    C) insufficient security.
    D) employee discrimination.
     E) blackmail and duress.

66) The following are steps employers can take to reduce the incidence of workplace violence EXCEPT:
    A) improving employee screening.
     B) enhancing security arrangements.
    C) training for violence reduction.
    D) instituting a workplace violence policy.
     E) promoting unstructured security systems.

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

67) Employees, are responsible for taking reasonable care to protect their own health and safety and in most cases, that of their co–workers.

68) The "due diligence" requirement for employees mandates that they take every reasonable precaution to ensure their own health and safety.

69) The function of joint health and safety committees is to provide a non–adversarial atmosphere where management and labour can work together to ensure a safe and healthy workplace.

70) Government health and safety inspectors may enter a workplace at any time, provided they have a warrant and give prior notification.

71) Canadian corporate executives and directors may be held directly responsible for workplace injuries.

72) WHMIS is the outcome of a cooperative effort between Canada, the United States of America and Mexico.

73) Most safety experts agree that safety commitment must begin with hourly employees.

74) In addition to unsafe working conditions, other work–related factors contribute to accidents, such as the job itself, work schedules and the psychological climate of the workplace.

75) An employee whose perceptual skill is at a lower level than his or her motor skill is a relatively safe worker.

76) Vision is related to accident frequency for many jobs, since workers who have high visual skills have fewer injuries than those who do not.

77) Safety programs based on positive reinforcement have improved safety at work.

78) HR managers have an important role to play in communicating the importance of health and safety to senior management by demonstrating how it affects the bottom line.

79) Employers should inquire about the workers' compensation history of job applicants in order to avoid hiring accident–prone individuals.

80) The appropriate time to begin "controlling" worker's compensation claims is before the accident happens, not after.

81) Supervisors are the company's first line of defense in combating substance abuse in the workplace, and they must act as company detectives.

82) Employee drug testing can be used in virtually all work-related circumstances.

83) Ergonomics is the art of fitting the workstation and work to the individual.

84) Employees who smoke have a significantly lower risk of occupational accidents than do smokers.

85) Employers can be found liable for the violent acts of their employees.

86) Several studies suggest that a test such as the Employee Reliability Inventory (ERI) can help employers reduce unsafe acts at work.

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

87) Describe the three categories of occupational health and safety laws in Canada.

88) List and describe the three basic rights of employees under the joint responsibility model of occupational health and safety.

89) Briefly discuss the three basic causes of accidents in the workplace.

90) Identify and discuss how personal factors influence employee accident behaviour.

91) Amin is the manager of an auto parts manufacturing plant in Oakville, Ontario. The plant has experienced a rise in workplace injuries over the past year. Discuss what Amin should focus on to prevent accidents in the workplace.

92) Identify the traditional methods for dealing with alcohol and drug problems at work.

93) Discuss several methods employers can use to prevent and control workplace violence.

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

52) C
53) D
54) E
55) D
56) C
57) B
58) A
59) A
60) C
61) D
62) D
63) B
64) B
65) A
66) E
67) TRUE
68) FALSE
69) TRUE
70) FALSE
71) TRUE
72) FALSE
73) FALSE
74) TRUE
75) FALSE
76) TRUE
77) TRUE
78) TRUE
79) FALSE
80) TRUE
81) FALSE
82) FALSE
83) TRUE
84) FALSE
85) TRUE
86) TRUE
87) General health and safety rules; rules for specific industries (such as mining); rules related to specific hazards (such as asbestos).
88) 1. The right to know about workplace hazards.
   2. The right to participate in the occupational health and safety process.
   3. The right to refuse unsafe work if there is "reasonable cause" to believe that the work is dangerous.
89) Chance occurrences (such as walking past a plate–glass window just as someone hits a ball); unsafe conditions (such as defective equipment); acts on the part of employees (such as horseplay).
90) Personality traits may distinguish accident–prone workers on jobs involving risk. Lack of motor skills may distinguish accident–prone workers on jobs involving coordination.
   Many human traits have been found to be related to accident repetition in specific situations.
91) **Reduce unsafe conditions**;
   Reduce unsafe acts;
   Training and education (train employees to be safety conscious);
   Positive reinforcement;
   Top–management commitment (enforce safety rules);
   Monitor work overload and stress.
92) Discipline used for alcoholics; discharge used for alcoholics and persons with drug problems; in–house counselling

for   emotional disorders; referral to outside agency.
93) Institute a workplace violence policy; heighten security measures; improve employee screening; provide workplace violence training; learn guidelines for dealing with angry employees.

Chapter 15

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

1) Management of employee relations has shifted away from a focus on employee discipline to a focus on:
   A) employee engagement.
   B) protecting employees' privacy.
   C) one-way communication.
   D) managing dismissals and layoffs.
   E) health and safety.

2) Helena feels that her employer's process for deciding on pay increases is not fair. Helena is concerned with which of the following components of organizational justice:
   A) distributive justice.
   B) pay equity.
   C) interactional justice.
   D) allocational justice.
   E) procedural justice.

3) Suggestion programs have several benefits. The net effect is:
   A) they make it clear that employees have several channels through which to get responses.
   B) there is less likelihood that small problems will grow into big ones.
   C) they make it clear that employees have several channels through which to communicate.
   D) they let management continually monitor employees' feelings.
   E) they let management continually monitor employees' concerns.

4) Questionnaires that regularly ask employees their opinions about the company, management and work life are called:
   A) employee participation programs.
   B) employee opinion surveys.
   C) employee development programs.
   D) employee training programs.
   E) employee sampling surveys.

5) The Employee Feedback System is an employee satisfaction survey covering the following EXCEPT:
   A) quality focus.
   B) employee commitment.
   C) recruitment policies.
   D) coworker cohesion.
   E) job satisfaction.

6) Traditional employee communication media such as newsletters are being replaced with the following EXCEPT:
   A) videos.
   B) electronic bulletin boards.
   C) intranets.
   D) verbal presentations.
   E) email.

7) Which of the following is NOT considered to be personal information about an employee and therefore NOT protected under privacy legislation?
   A) ergonomic assessment information.
   B) bank account number.

C) home address.
D) employee job title.
E) performance review rating.

8) The _____ governs the collection, use, and disclosure of personal information across Canada, including employers' collection and dissemination of personal information about employees.
   A) Personal Video Surveillance and Electronics Documents Act (PVSEDA)
   B) Employee Privacy and Dignity in the Workplace Act (EPDWA)
   C) Personal Information Protection and Electronic Documents Act (PIPEDA)
   D) Canadian Privacy Legislation Act (CPLA)
   E) There is no such legislation in Canada.

9) With respect to employee relations, experts generally define organizational justice in terms of three components. One component is:
   A) fair treatment justice.
   B) inter justice.
   C) distributive justice.
   D) constructive justice.
   E) top–down communication justice.

10) Procedural justice refers to:
   A) managers conducting their interpersonal dealings.
   B) the fairness of the process used to make a decision.
   C) fairness in interpersonal interactions by treating others with respect.
   D) highly publicized vehicles through which employees can appeal.
   E) the fairness and justice of the outcome of a decision.

11) Which of the following is true of recent research done in respect to retirement in Canada?
   A) Very few firms currently offer retirement counseling.
   B) Men are more likely to seek out new challenges after retirement.
   C) Women find the psychological transition to retirement easier than men do.
   D) Organizations are promoting early retirement as a means of dealing with the upcoming labour shortage.
   E) Women find the psychological transition to retirement harder than men do.

12) A layoff occurs where the following condition(s) are present:
   A) there is an issue of poor performance and a permanent severing of the employment relationship.
   B) the owner and President decides, for economic and personal reasons, to shut down the business permanently.
   C) there is a permanent severing of the employment relationship.
   D) there is no work and management intends to recall the employees when work is available again.
   E) there is no work and there is a permanent severing of the employment relationship.

13) Modern technological advances have put employers' access to, and monitoring of, information on a potential collision course with employees':
   A) rights and freedoms.
   B) human rights.
   C) need to know.
   D) privacy rights.
   E) access to information.

14) A software firm has lost a major client and as a result must downsize its workforce. Which of the following is

NOT a   best practice in handling downsizing of the workforce?
- A) The human resources professional should decide where and when to deliver the notice in a group setting.
- B) Remaining employees should be told the reasons that the downsizing is happening.
- C) Department managers should be trained in delivering the tough news humanely.
- D) Remaining employees should be told what effect the downsizing will have on them.
- E) The human resources professional should review applicable group termination laws to determine how much notice is required.

15) A procedure intended to correct an employee's behaviour because a rule or procedure has been violated is called:
- A) rehabilitation.
- B) discipline.
- C) behaviour modification.
- D) punitive action.
- E) penal adjustment.

16) A fair and just discipline process is based on the following prerequisite(s):
- A) a set of rules and regulations; a system of progressive penalties; an appeals process.
- B) a system of guided procedures.
- C) a system of progressive penalties and an appeals process.
- D) an appeals process.
- E) a set of clear rules and regulations; a system of progressive penalties; a system of guided procedures.

17) The following issues should be included in a set of rules and regulations regarding discipline EXCEPT:
- A) insubordination.
- B) transfer of one's job.
- C) drinking on the job.
- D) destruction of company property.
- E) theft.

18) The following are progressive penalties an employer may use for effective discipline EXCEPT:
- A) written warnings.
- B) discharge from the job.
- C) suspension from the job.
- D) loss of vacation.
- E) oral warnings.

19) A process that helps ensure that discipline is applied fairly and equitably is called a(n):
- A) "justice and dignity" procedure.
- B) wildcat strike.
- C) grievance procedure.
- D) management lockout.
- E) appeals process.

20) Involuntary termination of an employee's employment with the firm is called:
- A) insubordination.
- B) just cause.
- C) dismissal.
- D) misconduct.
- E) sufficient cause.

21) Employee dismissal should occur only after action has been taken to:
    A) demote the employee.
    B) transfer the employee.
    C) promote the employee.
    D) rehabilitate the employee.
    E) suspend the employee.

22) "Deliberate and willful violation of the employer's rules" is the definition of:
    A) sabotage.
    B) misconduct.
    C) grounds for dismissal.
    D) unsatisfactory performance.
    E) behaviour modification.

23) "Willful disregard or disobedience of the boss's authority or legitimate orders and criticizing the boss in public" is known as:
    A) consulting.
    B) reprimanding.
    C) insubordination.
    D) job specialization.
    E) sabotage.

24) The following acts are considered insubordination, whenever and wherever they occur, EXCEPT:
    A) criticizing the boss in public.
    B) deliberate defiance of clearly–stated company policies, rules, regulations, and procedures.
    C) direct disregard of the boss's authority.
    D) strict adherence to the chain of command.
    E) flat–out disobedience of or refusal to obey the boss's orders, particularly in front of others.

25) The following acts are considered insubordination, whenever and wherever they occur, EXCEPT:
    A) blatantly following the boss's unreasonable instructions.
    B) contemptuous display of disrespect, such as making insolent comments; and, more importantly, portraying these feelings in the attitude shown while on the job.
    C) showing disregard for the chain of command by going around the immediate supervisor or manager with a complaint, suggestion, or political manoeuvre.
    D) leading or participating in an effort to undermine and remove the boss from power.
    E) public criticism of the boss.

26) Employees are often hired under an implied contract where the understanding is that the employment is for an indefinite period of time, and may be terminated by either party only:
    A) when just cause exists.
    B) when the probationary period is over.
    C) when reasonable notice is given.
    D) when they mutually agree to terminate the employment relationship.
    E) "at will."

27) Just cause for dismissal is usually considered to include the following EXCEPT:
    A) fighting.
    B) disobedience.
    C) insubordination.
    D) alcoholism.
    E) incompetence.

28) If there is no employment contract and just cause is not present, then a termination without reasonable notice is considered unfair and is known as:
   A) a contract violation.
   B) "at will" termination.
   C) wrongful dismissal.
   D) invalid.
   E) quasi–legal.

29) An employee dismissal that does not comply with the law or does not comply with a written or implied contractual arrangement is referred to as:
   A) "at will" termination.
   B) firing an employee.
   C) wrongful dismissal.
   D) a contract violation.
   E) furloughing an employee.

30) In wrongful dismissal cases, courts generally award notice based on the following EXCEPT:
   A) the employee's family responsibilities.
   B) the level of the employee's job.
   C) the employee's length of service.
   D) the employee's age.
   E) the employee's salary.

31) The following are expert recommendations for avoiding wrongful dismissal suits EXCEPT:
   A) use termination letters in all cases, clearly stating the settlement offer.
   B) reassure new employees that they can only be dismissed for just cause.
   C) include two members of management in the termination meeting.
   D) document all disciplinary action.
   E) do not allege just cause for dismissal unless it can be proven.

32) If a wrongful dismissal suit is taken against the organization, it should:
   A) never investigate for other improper conduct.
   B) discuss possible letters of reference with a lawyer.
   C) never offer to settle.
   D) allege cause in all cases.
   E) retain a lawyer right away.

33) Constructive dismissal can be considered to occur in the following circumstances EXCEPT:
   A) reduction in pay and benefits.
   B) demotion.
   C) forced transfer.
   D) forced termination.
   E) forced resignation.

34) The "vendetta effect" is:
   A) frequent wrongful dismissal claims.
   B) wrongful dismissal claims coming from unionized employees.
   C) improper documentation of wrongful dismissal claims.
   D) wrongful dismissal claims coming from senior management.
   E) an increase in wrongful dismissal claims as negative treatment becomes extreme.

35) The interview in which an employee is informed of the fact he/she has been dismissed is called the:
   A) "at will" interview.
   B) termination interview.
   C) exit interview.
   D) punitive interview.
   E) nonpunitive interview.

36) In the second step of the termination interview, the manager should:
   A) smile and be friendly; however, be direct.
   B) begin with small talk.
   C) get to the point; however, reassure the employee this was not the manager's decision.
   D) get to the point by informing the person of the decision.
   E) move slowly but positively through the interview.

37) In the third step of the termination interview, the manager should:
   A) get to the point by informing the person of the decision.
   B) remember to describe the situation rather than attacking the employee personally.
   C) smile and be friendly; however, be direct.
   D) take at least 20 minutes for the interview.
   E) get to the point; however, reassure the employee this was not the manager's decision.

38) The sixth step in the termination interview process is:
   A) an outplacement counselling meeting.
   B) listen.
   C) describe the situation.
   D) identify the next step.
   E) review all elements of the severance package.

39) If the employee who is terminated reacts with hostility and anger, Hay Associates suggests the termination interviewer should respond by:
   A) deferring mention of the counselling process.
   B) remaining objective while providing information on any outplacement or career counselling to be provided.
   C) taking a subjective approach.
   D) becoming defensive.
   E) confronting the anger.

40) In a termination interview, do not promise anything beyond what is contained in the severance package. The termination should be complete:
   A) before the interview commences.
   B) when the investigation is complete.
   C) first thing during the interview.
   D) when the investigation has begun.
   E) when the terminated person leaves the interview.

41) A systematic process by which a terminated person is trained and counselled in the techniques of self–appraisal and securing a new position is called:
   A) self–awareness training.
   B) an outplacement interview.
   C) a termination interview.
   D) outplacement counselling.
   E) an exit interview.

42) Laws that require an employer to notify employees in the event that the employer decides to terminate a group of employees are called:
   A) notification laws.
   B) group termination laws.
   C) privacy laws.
   D) employment termination laws.
   E) "at will" laws.

43) The amount of notice required to be given to employees under group termination laws varies by jurisdiction and with:
   A) the number of employees being terminated.
   B) the unemployment rate in the region.
   C) the type of work performed by the employees.
   D) the type of industry.
   E) the time of year.

44) The temporary withdrawal of employment for workers based on economic or business reasons is called:
   A) a ring of defence.
   B) partial termination.
   C) a layoff.
   D) voluntary time off.
   E) a downsizing.

45) A layoff, in which workers are sent home for a time, is a situation in which the following conditions are present EXCEPT:
   A) management expects that the no–work situation is likely to be short–term.
   B) employees will accept vacation pay.
   C) management expects the no–work situation to be temporary.
   D) management intends to recall the employees when work is again available.
   E) there is no work available for the employees.

46) Detailed procedures that usually use employee seniority in order to determine who will be laid off if no work is available are referred to as:
   A) seniority procedures.
   B) layoff procedures.
   C) bumping/layoff procedures.
   D) defensive procedures.
   E) voluntary time off procedures.

47) An alternative to layoffs in which all employees agree to reductions in pay in order to keep everyone working is called a:
   A) voluntary reduction in pay plan.
   B) voluntary time off with reduction in pay.
   C) ring-of-defence.
   D) bump with pay.
   E) contingent employment.

48) An alternative to layoffs in which some employees agree to take time off in order to reduce the employer's payroll and avoid the need for a layoff is called:
   A) voluntary time off.
   B) a ring of defence.

C) voluntary reduction in pay with time off.

D) contingent employment.

E) bumping with time off.

49) One way to avoid layoffs is to hire temporary supplemental employees with the understanding that their work is of a temporary nature where they may be laid off at any time. These temporary employees are called:

A) voluntary employees.

B) the rings–of–defence.

C) continuous employees.

D) temporary employee defence.

E) contingent employees.

50) The process of reducing, usually dramatically, the number of people employed by the firm is referred to as:

A) mass layoffs.

B) division of work.

C) reengineering.

D) downsizing.

E) job specialization.

51) A critical responsibility of HR managers in any downsizing is to ensure that the bad news is delivered in a(n) _____ manner.

A) humane   B) expeditious   C) abrupt   D) relaxed   E) emotional

52) When handling a merger or acquisition, managers should:

A) remain businesslike and professional in all dealings.

B) avoid the appearance of domination.

C) create a solid foundation for future employee engagement.

D) avoid the appearance of power.

E) There are no exceptions to the points listed above.

53) For many retirees, maintaining a sense of identity and self–worth _____ is the single most important task they will face.

A) in semi–retirement

B) without a full–time job

C) with a part–time job

D) regarding finances

E) with reduced work schedules

54) Retirement education and planning firms provide services including the following EXCEPT:

A) health issues.

B) relationship issues.

C) financial planning.

D) computer training.

E) lifestyle goals.

55) A 2006 Statistics Canada report entitled *New Frontiers of Research on Retirement* identified some major changes expected in the management of the retirement process. They include:

A) expected decrease in the flexibility of retirement arrangements.

B) gender equity in retirement decisions.

C) joint retirement becoming an issue for many dual–income couples.

D) maintaining a standard of living in retirement for all.

E) none of the above.

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

56) Some firms give employees extensive data on the performance of and prospects for their operation, in order to make employees feel committed.

57) A system of progressive penalties usually involves warnings (verbal and written), suspensions (paid and/or unpaid) and discharge.

58) A manager should not provide the employee with any control over the disciplinary process and outcome.

59) A reason for dismissal of an employee can be classified as either unsatisfactory performance or misconduct; lack of qualifications for the job may not be a reason.

60) Leading or participating in an effort to undermine and remove the boss from power would not be considered an act of insubordination.

61) The steps in a termination interview include: planning the interview carefully, getting to the point, describing the situation, doing the majority of talking.

62) Outplacement means the employer takes responsibility for placing the terminated person in a new job.

63) Group termination laws require employers who are terminating a large group of employees to give them more notice than required upon termination of an individual employee.

64) A layoff refers to a situation when there is a permanent shortage of work for employees and management does not intend to recall the employees for work as it becomes available.

65) Alternatives to layoffs include voluntary reduction in pay plans, voluntary time off, and the use of contingent employees.

66) Firms are now providing preretirement counselling to employees who are about to retire, covering matters such as financial planning, relationship issues and health issues.

67) For many retirees, maintaining a sense of identity and self–worth is the single most important task they will face.

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

68) Identify and briefly describe three foundations of a fair and just discipline process.

69) Identify and discuss the four bases for employee dismissal.

70) Identify and discuss the steps to be followed in a termination interview.

71) Identify the three conditions that may be present when a layoff occurs.

72) Explain the alternatives to layoffs.

73) Identify common topics covered in pre–retirement counselling.

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

52) E
53) B
54) D
55) C
56) TRUE
57) TRUE
58) FALSE
59) FALSE
60) FALSE
61) FALSE
62) FALSE
63) TRUE
64) FALSE
65) TRUE
66) TRUE
67) TRUE
68) A **clear set of rules and regulations** addressing theft, destruction of company property, drinking, and insubordination.

A **system of progressive penalties**, usually consisting of warnings (verbal and written), suspensions (paid and/or unpaid) and discharge.

The **appeals process**.
69) **Unsatisfactory performance**–failure to perform or meet prescribed standards of job.

Misconduct–willful violation of rules, including stealing, rowdyism, or insubordination.

Lack of qualifications–incapable of doing the work.

Changed requirements of the job, or job elimination.
70) **Step 1: Plan the Interview**

• Carefully schedule the meeting on a day early in the week, and try to avoid Fridays, pre–holidays, and vacation times

• Have the employee agreement, human resources file, and release announcement (internal and external) prepared in advance

• Be available at a time after the interview in case questions or problems arise, and have phone numbers ready for medical or securityemergencies

Step 2: Get to the Point

• As soon as the employee arrives, give the person a moment to get comfortable and then inform him or her of the decision.

Step 3: Describe the Situation Briefly

• In three or four sentences, explain why the person is being let go.

• For instance, "Production in your area is down 4 percent, and we are continuing to have quality problems. We have talked about these problems several times in the past three months, and the solutions are not being followed through. We have to make a change."

• Remember to describe the situation rather than attacking the employee personally.

Step 4: Listen

• It is important to continue the interview until the person appears to be talking freely and reasonably calmly about the reasons for his or her termination and the severance package that he or she is to receive.

Step 5: Review All Elements of the Severance Package

• Describe severance payments, benefits, and the way in which references will be handled. However, under no conditions should any promises or benefits beyond those already in the severance package be implied

• The termination should be complete when the person leaves.

Step 6: Identify the Next Step

• The terminated employee may be disoriented, so explain where he or she should go on leaving the interview.

• Remind the person whom to contact at the company regarding questions about the severance package or references.

71) There is **no work available** for the employee who is being sent home.
    Management expects the no–work situation to be **temporary and short–term**.
    Management **intends to recall** employees when work is available.
72) Voluntary reduction in pay plan; accumulation of vacation time to take during slow periods; voluntary time off; contingent employees.
73) Lifestyle goals, financial planning, relationship issues, and health issues.

Chapter 16

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

1) The term labour–management relations refers to:
   A) the process of labour– management contract negotiations and the process of administering a collective agreement.
   B) the process of administering a collective agreement.
   C) relations between union members.
   D) the process of contract negotiations.
   E) relations between front line managers and employees only.

2) The negotiations that take place between a labour union and an employer to arrive at a mutually–acceptable collective agreement are known as:
   A) contract bargaining.
   B) contract administration.
   C) collective bargaining.
   D) contract ratification.
   E) union organizing.

3) In a _____, collective bargaining is accepted as an appropriate mechanism for establishing workplace rules.
   A) union avoidance strategy
   B) union acceptance strategy
   C) union substitution approach
   D) proactive human resources approach
   E) union suppression approach

4) Bargaining has commenced at the Airport Authority in Vancouver. The management bargaining team has as its mandate to strive for a mutually acceptable collective agreement. This is an example of:
   A) union substitution approach.
   B) labour relations strategy.
   C) union avoidance strategy.
   D) proactive human resources approach.
   E) union acceptance strategy.

5) Specific strategies adopted by organizations using the union substitution approach include:
   A) viewing the union as the legitimate representative of the firm's employees.
   B) preventing a union from gaining a foothold.
   C) accepting collective bargaining as an appropriate mechanism for establishing terms and conditions of employment.
   D) pay, benefits and working conditions equal to or better than those in unionized firms.
   E) avoiding a union at all costs.

6) Becoming so responsive to employees' needs that there is no incentive for unionization is associated with which approach to labour relations?
   A) union avoidance.
   B) union suppression.
   C) union acceptance.
   D) union substitution.
   E) positive labour relations.

7) An organizing drive has begun at a busy branch of a bank. The managers wish to avoid a union at all costs.

This   approach to labour relations is:
   A) union substitution.
   B) union suppression.
   C) union avoidance.
   D) union acceptance.
   E) tough bargaining.

8) Canada's labour laws have two key purposes, which are:
   A) providing a common set of rules for fair negotiations and protecting public interest.
   B) balancing the rights of the public and protection of public welfare.
   C) protecting union rights and management rights.
   D) specifying management rights and union rights.
   E) ensuring the right to unionize or remain union–free.

9) Common characteristics among labour relations legislation in all Canadian jurisdictions include all of the following EXCEPT:
   A) prohibition of strikes or lockouts during the life of a collective agreement.
   B) establishment of a labour relations board or the equivalent.
   C) the requirement that disputes over matters arising from interpretation of the collective agreement be settled by binding arbitration.
   D) procedures that must be followed by one or both parties before a strike or lockout is legal.
   E) a minimum term of six months for all collective agreements.

10) Each of the following is a component of business unionism EXCEPT:
   A) lobbying for legislative changes pertaining to security issues and working conditions.
   B) negotiating for better pay and benefits.
   C) achieving better working conditions.
   D) seeking greater job security.
   E) There are no exceptions listed above.

11) Convincing politicians of the need for stricter and more comprehensive health and safety legislation is most closely associated with:
   A) pre–strike activity.
   B) business unionism.
   C) information picketing.
   D) political unionism.
   E) social unionism.

12) Speaking out on proposed legislative reforms is most closely associated with:
   A) political unionism.
   B) social unionism.
   C) business unionism.
   D) pre–strike activity.
   E) information picketing.

13) An association of persons performing a certain type of skill or trade is called:
   A) a provincial federation of labour.
   B) an independent local union.
   C) an industrial union.
   D) a craft union.
   E) an international union.

14) The labour organization that, traditionally, represented all of the unskilled and semi–skilled workers in a particular organization or industry is known as:
- A) an independent local union.
- B) an industrial union.
- C) a provincial federation of labour.
- D) a local/district labour council.
- E) a craft union.

15) A labour union with branches and members in both Canada and the United States, the head office of which is in the United States, is known as:
- A) a national union.
- B) an industrial union.
- C) an international union.
- D) a regional union.
- E) a member of the AFL–CIO.

16) Which of the following statements about the AFL–CIO and CLC is true?
- A) The AFL–CIO is the major central labour organization in Canada.
- B) The purpose of the CLC is social reform
- C) Most international and national unions belong to the CLC.
- D) The local/district labour councils belong to both the CLC and AFL–CIO.
- E) The AFL–CIO and CLC operate independently, and have no common interests.

17) The CNTU is the:
- A) parent union of the Ontario Federation of Labour.
- B) Quebec counterpart of the CLC.
- C) parent union of the CLC.
- D) largest chartered local union in Canada.
- E) American counterpart of the CLC.

18) A union steward is:
- A) a union member elected by management to act as the union representative.
- B) a union member who is appointed by management to act as the union representative.
- C) a union member working with an airline.
- D) a union member elected by workers in a particular area of a firm to act as their union representative.
- E) a management member elected by workers in an area of a firm to act as their union representative.

19) The most important part of the union structure for human resources managers is the:
- A) central or regional office.
- B) local/district labour council.
- C) local.
- D) provincial/territorial federation of labour.
- E) national union.

20) Factors accounting for union membership trends in Canada include all of the following EXCEPT:
- A) the increase in service sector.
- B) increase in white–collar jobs.
- C) a decline in employment in industries that have traditionally been highly unionized.
- D) more effective HR practices in non–unionized firms.
- E) There are no exceptions listed above.

21) Which of the following statements about the unionization of white–collar workers is FALSE?

A) To attract white–collar workers, unions have changed their focus and bargaining priorities.
B) In the past, many white–collar employees felt little perceived need to unionize.
C) The lack of job security related to downsizing and privatization has led to increased interest in unionization among white–collar workers.
D) Unions have recently been increasing their efforts to organize blue–collar workers.
E) In many firms, pay and benefits improvements negotiated by the union were extended to non–union employees as a matter of course.

22) The labour relations process consists of _____ steps, as outlined in the text.
   A) 8   B) 3   C) 6   D) 7   E) 5

23) Workers primarily seek unionization when:
   A) they are extremely dissatisfied.
   B) they are unhappy with the location of the firm.
   C) a union organizer convinces them of the benefits of unionization.
   D) they primarily want career advancement.
   E) they are dissatisfied and believe that it is only through collective action that the factors causing dissatisfaction can be changed.

24) During a union organizing drive, the employer is permitted to do the following:
   A) forbid the distribution of union literature on company property.
   B) forbid the distribution of union literature on company property and state non–threatening opinions about unions.
   C) shut down operations to avoid unionization.
   D) participate in union formation.
   E) discipline an employee for wanting to join the union.

25) Being a union member also has an impact on female workers' ability to achieve:
   A) career equity.
   B) union equity.
   C) pay equity.
   D) employment equity.
   E) none of the above.

26) Steps in the unionizing process typically include all of the following EXCEPT:
   A) employee/union contact.
   B) formation of an in–house organizing committee.
   C) a vote.
   D) an all–out public campaign.
   E) the outcome: certification, recognition, or rejection.

27) A full–time employee of the union, whose role is to plan and execute union membership recruitment campaigns, is known as:
   A) a business agent.
   B) a regional representative.
   C) the local president.
   D) a union organizer.
   E) a chief steward.

28) Who is responsible for contacting employees, presenting the case for unionization, and signing up members?
   A) the regional representative
   B) the in–house organizing committee

C) the business agent

D) the union organizer

E) the president of the local/district labour council

29) Under the law, employers are granted the right to do all of the following in response to a unionization attempt EXCEPT:

A) increase wages, make promotions, and take other HR actions, as long as they would do so during the normal course of business.

B) require employees to attend sessions at which their position is presented.

C) prohibit distribution of union literature on their own property on company time.

D) express their views and opinions regarding unions.

E) state their position regarding the desirability of remaining non-union.

30) Which of the following statements about regular certification is true?

A) To gain certification, the voting results must indicate that more than 20 percent of the potential bargaining unit members are in support of the union.

B) Automatic certification is permitted in all Canadian jurisdictions.

C) Signed authorization cards along with an application for certification are required.

D) The majority of union certifications in Canada are based on the results of a secret ballot vote.

E) The evidence of support required to apply for certification ranges from 40 to 50 percent depending on jurisdiction.

31) All of the following statements about union certification are true EXCEPT:

A) In most jurisdictions, LRBs can grant automatic certification.

B) In those jurisdictions with automatic certification, if the level of support is not sufficient for such certification, but is above a specified minimum level, the LRB (or equivalent) will order a representation vote.

C) If a union loses a representation vote, another election cannot be held among the same employees for at least a year.

D) Representation votes are supervised by the LRB (or equivalent).

E) In all jurisdictions, in order for a union to be certified, more than 50 percent of the potential bargaining unit members must be in support of the union.

32) An alternative mechanism for certification, used in situations in which there is evidence of irregularities early in an organizing campaign, such as unfair management practices, is known as:

A) a pre-hearing vote.

B) arbitrated certification.

C) voluntary recognition.

D) a representation vote.

E) automatic certification.

33) The process whereby a union is legally deprived of its official recognition as the exclusive bargaining agent for a group of employees is known as:

A) automatic decertification.

B) decertification due to fraud.

C) termination of a voluntarily-recognized union.

D) voluntary decertification.

E) decertification.

34) If it is determined that a union obtained its certification through fraudulent acts:

A) this is known as termination on abandonment.

B) the union will be decertified immediately.

C) the LRB (or equivalent) will hold a decertification election.

D) the union's fate is determined through a secret–ballot election.

E) the collective agreement remains in effect until a replacement has been negotiated.

35) All of the following statements about termination of bargaining rights are true EXCEPT:

A) Members may apply for decertification if they are dissatisfied with the performance of a union.

B) The decertification process generally involves a secret–ballot election.

C) A union is automatically decertified when a collective agreement is not negotiated within one year of certification.

D) Generally, members may apply for decertification if the union has failed to negotiate a collective agreement within one year of certification.

E) It is possible for a labour union to notify the LRB (or equivalent) that it no longer wishes to represent the employees in a particular bargaining unit.

36) The process by which a formal collective agreement is established between labour and management is known as:

A) conciliation.

B) collective bargaining.

C) contract ratification.

D) contract bargaining.

E) collective negotiating.

37) The final outcome of the collective bargaining process is shaped, to a large extent, by:

A) the legislative context.

B) the skill of the negotiations.

C) the choice of bargaining representatives.

D) the quality of pre–negotiations planning.

E) the number of bargaining team members.

38) During preparation for negotiations unions generally hold a meeting that is open to all bargaining unit members at which:

A) individual members have the opportunity to suggest items for inclusion in union demands.

B) members submit written proposals.

C) union strategic plans are discussed.

D) management presents its proposals.

E) information is given by the business agent.

39) The area defined by the resistance points of each side, in which compromise is possible, as is the attainment of a settlement satisfactory to both parties, is known as the:

A) bargaining zone.

B) distributive bargaining range.

C) settlement range.

D) area of potential settlement.

E) bargaining range.

40) The settlement range is between:

A) Party A's target point and Party B's target point.

B) Party B's resistance pint and Party B's target point.

C) Party B's resistance point and Party A's target point.

D) Party B's resistance point and Party A's resistance point.

E) Party A's resistance point and Party B's target point.

41) The approach to bargaining often typified as "win-lose" is known as:
   A) distributive.
   B) interest-based.
   C) integrative.
   D) concessionary.
   E) productivity.

42) The approach that is appropriate when dealing with monetary issues, but may be used when there is a history of distrust and adversarial relations, is known as _____ bargaining.
   A) distributive
   B) productivity
   C) integrative
   D) mutual gains
   E) concessionary

43) Which type of bargaining is characterized by three distinct components: the initial point, the target point, and the resistance point?
   A) concessionary
   B) integrative
   C) distributive
   D) productivity
   E) mutual gains

44) A negotiating strategy in which the possibility of win-win, lose-win, and lose-lose outcomes is recognized, and there is acknowledgement that achieving a win-win outcome will depend on mutual trust and problem solving, is known as _____ bargaining.
   A) concessionary
   B) integrative
   C) distributive
   D) mutual gains
   E) interest-based

45) Wage rates and vacation entitlements are more likely to be fixed-sum issues that are handled by _____ bargaining.
   A) distributive
   B) productivity
   C) mutual gains
   D) concessionary
   E) interest-based

46) The objective of _____ bargaining is to establish a creative negotiating relationship that benefits labour and management.
   A) integrative
   B) productivity
   C) concessionary
   D) distributive
   E) mutual gains

47) Bargaining that is aimed at seeking win-win solutions to labour relations issues is _____ bargaining.
   A) union acceptance
   B) mutual gains
   C) integrative

D) distributive

E) productivity

48) Which of the following statements about ratification is FALSE?
   A) If the proposed collective agreement is rejected, a strike is the inevitable result.
   B) If any of the bargaining unit members vote in favour of the proposal it replaces any prior agreement.
   C) When a ratification vote is held, all members of the bargaining unit, whether or not they are trade union members, have the right to cast a ballot.
   D) The results of a ratification vote have a significant impact.
   E) In some jurisdictions, ratification is required by law.

49) Memo of settlement is:
   A) summary of terms and conditions agreed to by the parties.
   B) signed collective agreement.
   C) union's agreement to bargain with management.
   D) managment's agreement to bargain with the union.
   E) proposals for negotiation.

50) The use of a neutral third party to assist an organization and the union representing a group of its employees to come to a mutually satisfactory collective agreement is known as:
   A) interest arbitration.
   B) rights arbitration.
   C) conciliation.
   D) LRB intervention.
   E) mediation.

51) A favourable strike vote means:
   A) a strike is inevitable.
   B) a strike will occur within a specified period of time.
   C) an advantage for management.
   D) management may be more willing to make concessions.
   E) going on strike would not involve a high risk.

52) Each of the following statements about lockouts is true EXCEPT:
   A) putting pressure on the union negotiating team to agree to the terms and conditions offered by management.
   B) they are legally permissible in only a few Canadian jurisdictions.
   C) lockouts are not a widely used strategy in Canada.
   D) they can damage an organization's public image.
   E) they may have a negative impact on nonstriking employees.

53) The imposition of the final terms of a collective agreement occurs through the process known as:
   A) arbitration.
   B) mediation–arbitration.
   C) interest arbitration.
   D) rights arbitration.
   E) final offer selection.

54) The process involved in settling a dispute when special legislation is passed ordering striking or locked–out employees back to work is known as:
   A) mediation–arbitration.
   B) final offer selection.

C) rights arbitration.
D) interest arbitration.
E) arbitration.

55) Situations in which interest arbitration maybe involved include all of the following EXCEPT:
   A) negotiations involving police officers in most jurisdictions.
   B) negotiations involving firefighters in most jurisdictions.
   C) negotiations involving nursing home employees in most jurisdictions.
   D) negotiations involving public servants in some jurisdictions.
   E) There are no exceptions listed above.

56) The section of the collective agreement that identifies the recognized trade union and clarifies its rights and responsibilities as the exclusive bargaining agent for the employees in the bargaining unit is known as the _____ clause.
   A) union exclusivity
   B) union recognition
   C) union rights
   D) bargaining unit descriptor
   E) union security

57) The most restrictive form of union security is known as:
   A) closed shop.
   B) dues shop.
   C) maintenance–of–membership.
   D) open shop.
   E) union shop.

58) A type of union security arrangement in which union membership and dues payment are mandatory conditions of employment is known as:
   A) union shop.
   B) closed shop.
   C) the Rand formula.
   D) maintenance–of–membership.
   E) dues shop.

59) Which type of union security arrangement recognizes the fact that the union must represent all employees in the bargaining unit, whether or not they choose to belong to the union?
   A) union shop
   B) closed shop
   C) open shop
   D) the Rand formula
   E) maintenance–of–membership

60) A type of security arrangement in which the individuals who were bargaining unit members at the time of certification are not obliged to join the union is referred to as a:
   A) modified union shop.
   B) maintenance–of–membership arrangement.
   C) Rand Formula.
   D) dues shop.
   E) union shop.

61) Any rights not limited by the management rights clause are:

A) negotiable.
B) known as union prerogatives.
C) reserved to the union.
D) known as management prerogatives.
E) reserved to management.

62) All Canadian jurisdictions require that collective agreements contain a clause providing for:
   A) pattern bargaining.
   B) final and binding settlement by arbitration of all disputes arising out of the collective agreement.
   C) surface bargaining.
   D) a disciplinary process.
   E) mediation.

63) Managers often prefer to place greater weight on _____, while unions want more emphasis placed on
   _____.
   A) physical ability, merit
   B) ability/merit, seniority
   C) certification, merit
   D) attitude, seniority
   E) loyalty, seniority

64) In many collective agreements, seniority is the governing factor in layoffs and a(n) _____ factor in
   transfers and promotions.
   A) unique   B) sufficient   C) determining   D) first   E) important

65) The primary purpose of the grievance procedure is to:
   A) call to the attention of union and management leaders areas of the contract requiring clarification or
      modification in subsequent negotiations.
   B) resolve issues that were not anticipated by those at the bargaining table.
   C) interpret the contract language.
   D) serve as a communications device.
   E) ensure the application of the contract with a degree of justice for both parties.

66) The final and binding process, through which disputes arising out of the interpretation or application of a
   collective agreement are settled, is known as:
   A) mediation—arbitration.
   B) arbitration.
   C) interest arbitration.
   D) rights arbitration.
   E) final offer selection.

67) Kate's organization is now unionized, so the HR department will hire a:
   A) recruitment specialist.
   B) training specialist.
   C) line manager.
   D) compensation specialist.
   E) labour relations specialist.

68) Unionization impacts HRM in the following way:
   A) HR Policies must be consistent with the terms of the collective agreement.
   B) a union steward must design 50% of all HR policies.
   C) record keeping is decentralized.

D) the HR department becomes smaller.

E) management has more freedom to make decisions.

69) Demonstrating genuine concern for employee well–being is best described as:

A) holding a joint training program to explain contract amendments.

B) using third–party assistance.

C) fair treatment and communication going well above and beyond the requirements of the collective agreement.

D) extending the courtesy of prior consultation.

E) instituting an open–door policy.

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

70) The group of employees in a firm, plant, or industry that has been recognized by an employer or certified by a LRB as appropriate for collective bargaining purposes is known as a labour union.

71) Collective bargaining is the negotiations that take place between management and employees directly.

72) The basis of a firm's labour relations strategy is the decision to accept or avoid unions.

73) A proactive human resources approach is likely to result in labour–management cooperation or at least a harmonious relationship between union and management.

74) The primary goal of the labour unions active in Canada is to obtain job security for their members.

75) Global competition and technological advances pose challenges for the union movement in Canada.

76) For the most part, Canada has a system of grass–roots unionism.

77) Union membership in Canada has been declining rapidly as a percentage of both the civilian labour force and non–agricultural paid workers.

78) In preparation for bargaining, unions generally hold a meeting that is open to all bargaining unit members, at which individuals have the opportunity to suggest items for inclusion in union's demands.

79) An off–site setting is preferred for negotiations because it minimizes disruptions, interruptions, and misinterpretations.

80) The actual settlement range in contract negotiations generally lies in the bargaining zone, between management's target and resistance points.

81) Productivity bargaining is the strategy used when employers are experiencing severe economic problems caused by a general economic recession or financial difficulties.

82) Integrative bargaining is an approach that assumes that a win–win solution can be found.

83) A wildcat strike may be legal or illegal, depending on its timing.

84) Unlike conciliators and mediators, arbitrators can impose a settlement.

85) There must be a clause in every collective agreement forbidding strikes or lockouts during the life of the contract.

86) The grievance procedure provides the opportunity for the interpretation of contract language.

87) There are generally four internal steps prior to arbitration.

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

88) Differentiate between business and social unionism.

89) Describe the current challenges to the Canadian labour movement and explain how unions are dealing with them.

90) Discuss the impact of unionization on HRM.

91) Differentiate between interest arbitration and rights arbitration and explain the use of each.

92) Describe the purposes of a grievance procedure.

93) Amin is the new VP of Labour Relations at a telecomminications company which has a history of poor labour–management relations. Describe the strategies you recommend he use to assist in building an effective and more positive labour–management relationship.

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

52) B
53) C
54) D
55) E
56) B
57) A
58) A
59) D
60) A
61) E
62) B
63) B
64) C
65) E
66) D
67) E
68) A
69) C
70) TRUE
71) FALSE
72) TRUE
73) FALSE
74) FALSE
75) TRUE
76) TRUE
77) FALSE
78) TRUE
79) TRUE
80) TRUE
81) FALSE
82) TRUE
83) TRUE
84) TRUE
85) TRUE
86) TRUE
87) FALSE
88) **Business unionism** refers to the activities of labour unions focusing on economic and welfare issues, including pay and benefits, job security, and working conditions. Included in business unionism is negotiating for greater job security, improved economic conditions, and better working conditions.
    Social unionism refers to the activities of unions directed at furthering the interests of their members by influencing the social and economic policies of governments at all levels. The objectives of social unionism are often accomplished by lobbying and speaking out on proposed legislative reforms, such as the introduction of employment equity legislation or amendments to LR acts.
89) **Global Competition**–Increased global competition and massive importation of consumer electronics, cars, clothing, textiles, and shoes has led to job losses for Canadian union members. Canadian unions were highly opposed to NAFTA, claiming Canadian jobs would be lost to low–wage Mexican workers, as well as to the anti–union environment that exists in many U.S. states. Some unions have taken more direct action. The United Electrical Workers, for example, subsidized organizers at Mexican plants of the U.S.–owned General Electric company.
    Technological Change–Technological advances have decreased the effectiveness of strikes in some sectors, because highly automated organizations can remain fully operational with minimal staffing levels during work stoppages. Even more significant is the fact that improvements in computer technology have lowered the demand for many blue–collar workers, and resulted in a decline in union membership in the auto, steel, and other manufacturing

industries. E-commerce work (such as processing credit card claims) is highly portable, and can be shifted, almost literally, at the touch of a button from one centre to another–even overseas. To deal with such threats, some unions have negotiated collective agreement protection for workers whose skills are threatened by technological obsolescence.

Privatization and the Unionization of White–collar Employees, Managers, and Professionals –In the past, many white–collar employees tended to identify more with owners or managers than with their blue–collar colleagues, often enjoying certain privileges and status symbols available to salaried employees only. Because the improvements in pay, benefits, and working conditions that were negotiated by the union representing their blue–collar coworkers were often extended to them as a matter of course, there was little perceived need to unionize. In recent years, however, the growth in the size of many public– and private–sector organizations has tended to distance them from management, which has made unionization more attractive. Increasing difficulties in attempting to resolve grievances, combined with a lack of job security related to downsizing in all sectors, as well as the privatization of services ranging from hydro to home care, has also led to increased interest in unionization among white–collar workers.

In response to the threats to job security posed by downsizing, privatization, and public–private partnerships, and the decrease in membership numbers associated with the decline in blue–collar jobs, unions started to increase their efforts to organize white–collar employees. Service-oriented organizations, such as insurance agencies, banks, retail stores, fast–food chains, and government agencies, have been targeted for organizing campaigns. Even small businesses are being organized. To attract white–collar employees, unions have changed their focus and bargaining priorities. In addition to focussing more on equity and family issues, unions are also capitalizing on the health and safety risks associated with white–collar jobs, such as the effects of working at video display terminals for long periods of time, and the potential for repetitive strain injury associated with the jobs of clerical workers and cashiers.

Another group that has been targeted for unionization includes managers and professionals. Of particular appeal to these employees is the unions' desire to protect the job security of those represented, something that has been seriously threatened due to extensive downsizing in both public– and private–sector organizations.

Innovative Workplace Practices–In workplaces in which employees participate in decision making, have a high degree of autonomy and little supervision, and are paid based on their performance or the knowledge/skills they have attained, there may be less perceived need for a union. Some individuals argue that such innovative workplace practices as semi–autonomous work teams, skill–based pay, profit sharing and employee stock ownership plans undermine union power by coopting employees and aligning employee interests with those of management. On the other hand, in workplaces in which the unions have supported such changes, the end result may be better communication and more cooperation, a win–win situation.

90) **Organizational Structure**–Once an organization is unionized, the HR department is typically expanded by the addition of an LR specialist or section. In a large firm with a number of bargaining units, human resources and labour relations may form two divisions within a broader department, often called industrial relations or labour relations.

Management Decision Making–Union leaders are typically involved in decisions pertaining to any issues that will affect bargaining unit members, such as subcontracting of work, productivity standards, and job content. While management continues to claim exclusive rights over certain matters, union leaders may challenge these rights.

Centralization of Record Keeping and Standardization of Decision Making–Unionization generally results in greater centralization of employee record keeping and standardization of decision making to ensure equity, consistency, and uniformity. More centralized coordination is typically required in the enforcement of HR policies and procedures, for example, which creates an expanded role for members of the LR department, as does the increased need for documentation to support decisions.

Supervisory Authority and Responsibility–The major impact of unionization is at the first–line level, since it is the supervisors who are responsible for day–to–day contract administration. Greater standardization of decision making and centralization of record keeping may lead supervisors to feel they have lost some of their authority, which can cause resentment, especially since they inevitably find that unionization results in an increase in their responsibilities.

Supervisors are often required to produce more written records than ever before, since documentation is critical at grievance and arbitration hearings. They must ensure that all of their decisions and actions are in accordance with the terms of the collective agreement. Even decisions that abide by the agreement may be challenged by the union.

91) **Interest arbitration** involves the use of an outside third party to impose the terms of a collective agreement. The

n is conferred by law on those who are not permitted to strike, as is the case with hospital and nursing home employees, police officers and firefighters in most jurisdictions, and public servants in some. Interest arbitration is also involved when special legislation is passed, ordering striking or locked–out parties back to work, due to public hardship.

Rights arbitration resolves a disagreement between an organization and the union representing its employees with regard to the interpretation or application of one or more clauses in the collective agreement.

92) The primary purpose of a grievance procedure is to ensure the application of the contract with a degree of justice for both parties. There are a number of related, secondary purposes, as well:

• providing the opportunity for the interpretation of contract language, such as the meaning of "sufficient ability."

• serving as a communications device, through which managers can become aware of employee concerns and areas of dissatisfaction.

• bringing to the attention of the union leaders, management leaders, or both, those areas of the contract requiring clarification or modification in subsequent negotiations.

93) **Instituting an open–door policy**–When the key managers involved in labour–management relations welcome employees into their office a to discuss any problems or concerns, and employees feel comfortable in doing so, many issues: can be resolved informally. For example, if the president of the local knows that he or she can approach the LR manager "off the record" and that anything discussed in such sessions will be kept strictly confidential, fewer grievances and a more trusting and harmonious relationship often result.

Extending the courtesy of prior consultation–While every management decision does not require union approval, if any actions that might affect union members are discussed with the union executive first, the likelihood of grievances is greatly reduced.

Demonstrating genuine concern for employee well–being–When managers are genuinely concerned about employee well–being, and demonstrate that concern, mutual trust and respect are often established. This involves fair treatment and communication going well above and beyond the requirements of the collective agreement.

Forming joint study committees–Forming labour/management committees to investigate and resolve complex issues can lead to innovative and creative solutions, as well as a better relationship.

Holding joint training programs–When a contract is first signed, it can be beneficial to hold a joint training program to ensure that supervisors and union stewards are familiar with the terms and conditions specified therein and understand the intent of the negotiating teams. Such training can reduce misunderstandings and the likelihood of disagreement regarding interpretation of contract language. Joint training programs can also be extremely helpful in building the cooperation necessary to deal more effectively with other employment–related issues of concern to both parties, such as employee health and safety.

Meeting regularly–Whether required by the collective agreement or voluntarily instituted, regularly scheduled union–management meetings can result in more effective communication and the resolution of problems/concerns before they become formal grievance issues.

Using third–party assistance–To build a better relationship, it is often beneficial to bring in a consultant or a government agency representative to help identify common goals and objectives and ways in which trust and communication can be strengthened.

Chapter 17

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

1) One of the most important business functions for executing global strategy is:
   A) finance.
   B) marketing.
   C) manufacturing.
   D) human resources.
   E) research and development.

2) As a result of internationalization, companies must increasingly be managed:
   A) from head office.
   B) through teamwork.
   C) in a decentralized manner.
   D) globally.
   E) top–down.

3) When sending employees abroad, employers must address such practical issues as:
   A) developing talent on a global basis.
   B) knowledge dissemination.
   C) deployment.
   D) naturalization.
   E) assignment letters.

4) The number one concern when it comes to employee relocations is:
   A) relocation assistance.
   B) candidate selection.
   C) family issues.
   D) candidate assessment.
   E) cost projections.

5) Brian is the Director of HR for a global software development company. He is advising the Director of Sales
   as to which of the sales managers to send to lead the sales department in India. Which of the following are
   key traits Brian should consider in advising on the best candidate for the expatriate assignment?
   A) cultural sensitivity only
   B) agreeableness
   C) interpersonal skills, cultural sensitivity, and flexibility
   D) interpersonal skills and cultural sensitivity
   E) There are no specific traits that are helpful to consider.

6) "Expatriate failure" is:
   A) rare.
   B) early return from an expatriate assignment.
   C) failure to recover cost of investment on an expatriate.
   D) repatriation.
   E) re–assimilating the expatriate.

7) The most likely destination for a foreign assignment today is:
   A) Russia.
   B) People's Republic of China.
   C) Mexico.
   D) Brazil.

E) Singapore.

8) Wide-ranging customs that vary from country to country demanding corresponding differences in HR practices among a company's foreign subsidiary are:
   A) trade surpluses.
   B) balance of payments.
   C) trade deficits.
   D) foreign trade.
   E) cultural differences.

9) In a well-known study by Professor Geert Hofstede on international cultural differences, the extent to which the less influential members of institutions accept and expect that power will be distributed unequally is referred to as:
   A) legal distinctions.
   B) power distance.
   C) need for power.
   D) religious practices.
   E) political differences.

10) A finding from the study on international cultural differences performed by Professor Geert Hofstede which refers to the degree to which ties between persons are normally loose rather than close is known as:
   A) loose-tight tension.
   B) individualism vs. collectivism.
   C) legal practices vs. bribery.
   D) mercantilism vs. trade isolation.
   E) religious vs. sacrimonious practices.

11) The following are factors that demand adapting personnel policies and procedures to the differences among countries in which subsidiaries are based EXCEPT:
   A) cultural factors.
   B) economic factors.
   C) labour cost factors.
   D) import tax rates
   E) industrial relations factors.

12) It is suggested that HR staff members in a foreign subsidiary are best drawn from:
   A) third-country nationals.
   B) host-country citizens.
   C) home country citizens.
   D) locals.
   E) parent country citizens.

13) In socialist countries, HR practices tend to shift toward preventing unemployment, even at the cost of:
   A) career development.
   B) civil liberties.
   C) long-range planning.
   D) efficiency.
   E) freedom of expression.

14) High labour costs can require a focus on efficiency and on human resource practices aimed at improving:
   A) selection practices.
   B) employee performance.

C) absenteeism rates.
    D) employee turnover.
    E) grievance procedures.

15) The relationship between the worker, the employer, and the labour union is referred to as:
    A) empowerment of employees.
    B) human resources management.
    C) production management.
    D) industrial relations.
    E) reengineering of work.

16) The process whereby employees have a legal right to a voice in setting company policies is:
    A) reengineering of work.
    B) strategic alliance.
    C) career development.
    D) joint venturing.
    E) codetermination.

17) Brian is the Director of HR for a car manufacturer. He must advise the V.P of Operations as to whether the plant manager in India should be a local employee instead of an expatriate manager. Which of the following includes the advantages of hiring local talent for this role:
    A) expatriates may emphasize short term projects.
    B) local talent is likely to have greater management experience.
    C) it is generally less expensive and the corporation may be viewed locally as a "better citizen."
    D) it is generally less expensive and expatriates may emphasize short term projects.
    E) it is generally less expensive.

18) Human resources managers must consider the impact of intercountry differences on human resource operations conducted:
    A) locally.
    B) domestically.
    C) across Canada.
    D) intrafirm.
    E) globally.

19) Canadian companies have reported low failure rates for employees on foreign assignments relative to other countries, particularly:
    A) Sweden.
    B) Britain.
    C) Japan.
    D) the United States.
    E) Germany.

20) Three−quarters of U.S. multinational companies experience expatriate assignment failure rates of:
    A) 40%−50%.
    B) 15%−25%.
    C) 30%−40%.
    D) 10%−20%.
    E) 5% and under.

21) The primary reason for expatriate failure is not inadequate technical competence but:
    A) language barriers.

B) difficulty of the new assignment.
C) inability to cope with overseas production.
D) personal or family problems.
E) lack of skilled personnel.

22) Some organizations have moved away from full–scale relocation of an employee and his or her family to other alternatives including:
     A) job sharing on foreign assignments.
     B) rotating foreign assignments.
     C) frequent short–term business trips.
     D) short–term assignments of between six months and one year with frequent home leave.
     E) dual households in the destination country.

23) The citizens of a country who have jobs in the home country are referred to as:
     A) third–country nationals.
     B) home–country nationals.
     C) locals.
     D) illegal immigrants.
     E) expatriates.

24) The noncitizens of the countries in which they are working are referred to as:
     A) home–country nationals.
     B) expatriates.
     C) third–country nationals.
     D) locals.
     E) illegal aliens.

25) The citizens of the country in which the multinational company's headquarters is based are referred to as:
     A) locals.
     B) home–country nationals.
     C) expatriates.
     D) illegal aliens.
     E) third–country nationals.

26) The citizens of a country other than the parent or the host country are referred to as:
     A) home–country nationals.
     B) locals.
     C) third–country nationals.
     D) illegal immigrants.
     E) expatriates.

27) Expatriates represent a minority of managers; thus, most managerial positions are filled by:
     A) home–county nationals.
     B) locals.
     C) second–country nationals.
     D) third–country nationals.
     E) illegal aliens.

28) The following are reasons to rely on local, host country management for filling the foreign subsidiary's management ranks EXCEPT:
     A) preference of government for the "nativization" of local management.
     B) lower costs incurred with local management.

C) lower costs incurred with expatriates.

D) preference of employees to not work in a foreign country.

E) the multinational corporation may be seen as a "better citizen."

29) The major reason for using expatriates for staffing subsidiary operations is:

A) better relationships with local customers.

B) greater understanding of the foreign laws.

C) lower costs incurred with expatriates.

D) technical competence.

E) greater familiarity with culture.

30) Multinationals assign home–country nationals from their headquarters staff abroad on the assumption that these managers are:

A) multilingual.

B) motivated to adapt to a new culture.

C) more likely to implement instructions from headquarters.

D) familiar with customers abroad.

E) eager to face a new challenge.

31) Multinational firms' top executives are often categorized in the following classes:

A) geocentric; ecocentric.

B) polycentric; biocentric.

C) homocentric; polycentric.

D) ethnocentric; homocentric; multicentric.

E) ethnocentric; polycentric; geocentric.

32) The type of corporation where the prevailing attitude is that the home country attitudes, management style, knowledge, evaluation criteria, and managers are superior to anything the host country may have to offer is known as a(n):

A) geocentric organization.

B) homocentric business.

C) multicentric corporation.

D) ethnocentric organization.

E) polycentric business.

33) The type of corporation where there is a conscious belief that only host country managers can ever really understand the culture and behaviour of the host country market is known as a(n):

A) homocentric business.

B) geocentric organization.

C) multicentric corporation.

D) ethnocentric organization.

E) polycentric corporation.

34) The type of organization where it is assumed that management candidates must be searched for on a global basis because the best manager for any specific position anywhere on the globe may be found in any of the countries in which the firm operates is known as a(n):

A) homocentric business.

B) multicentric organization.

C) polycentric corporation.

D) geocentric organization.

E) ethnocentric corporation.

35) The staffing policy in which all key management positions are filled by parent–country nationals is known as:
   A) geocentric.   B) multicentric.   C) ethnocentric.   D) homocentric.   E) polycentric.

36) The following are reasons for using ethnocentric policies in staffing subsidiaries EXCEPT:
   A) lack of qualified host–country senior management talent.
   B) maintaining a diverse corporate culture.
   C) transferring the parent firm's core competencies to a foreign subsidiary more expeditiously.
   D) tighter control.
   E) maintaining a unified corporate culture.

37) The policy in which the foreign subsidiary is staffed with host–country nationals and its home–office headquarters with parent–country nationals is known as:
   A) geocentric.   B) polycentric.   C) homocentric.   D) ethnocentric.   E) multicentric.

38) Realtex, an international resort development company has a staffing policy which seeks the best people for key jobs throughout the organization, regardless of nationality. Realtex has the following type of staffing policy:
   A) polycentric.   B) geocentric.   C) ethnocentric.   D) multicentric.   E) homocentric.

39) The following are traits that managers should possess when assigned domestically and overseas in order to be successful EXCEPT:
   A) adaptability.
   B) technical skills.
   C) exploitive skills.
   D) motivation.
   E) relational skills.

40) The following are demands that an expatriate manager may encounter on foreign assignment EXCEPT:
   A) family adjustment pressures.
   B) cultural differences with the foreign country.
   C) orientation and training in developing a managerial style.
   D) the stress of being alone in a foreign land.
   E) learning a new language.

41) According to a study on the success of international assignees, "job knowledge and motivation" may include the following EXCEPT:
   A) creativity.
   B) organizational ability.
   C) administrative skills.
   D) respect.
   E) managerial ability.

42) According to a study on the success of international assignees, "relational skills" include the following EXCEPT:
   A) tact.   B) courtesy.   C) creativity.   D) kindness.   E) respect.

43) According to a study on the success of international assignees, flexibility/adaptability may include the following traits EXCEPT:
   A) interest in foreign countries.
   B) emotional stability.
   C) flexibility.

D) resourcefulness.

E) ability to deal with stress.

44) According to a study on the success of international assignees, "family situation" includes the following EXCEPT:

A) spouse's neutral opinion.

B) adaptability of spouse.

C) stable marriage.

D) willingness of spouse to live abroad.

E) adaptability of family.

45) The most important factor perceived by international assignees that contributes to success in a foreign assignment is:

A) extracultural openness.

B) family situation.

C) job knowledge.

D) relational skills.

E) confidence.

46) The recruiting tool used in selecting managers for a foreign assignment which assesses the family's probable success in handling the foreign transfer is referred to as:

A) job training.

B) situational interviews.

C) on–the–job interviewing.

D) organizational development.

E) adaptability screening.

47) The process where the potential assignee and his or her family are exposed to information that can be expected on the new job is known as:

A) organizational development.

B) job enlargement.

C) orientation.

D) management by objectives.

E) realistic job previews.

48) A tool that can be used to more effectively select employees for overseas assignments is a:

A) job specification.

B) pencil–and–paper test.

C) job analysis.

D) language test.

E) job description.

49) An example of an assessment tool that focuses on the aptitudes and personality characteristics of successful international candidates is the:

A) Overseas Assignment Inventory.

B) Myers–Briggs Type Indicator.

C) Job Evaluation Assessment.

D) Performance Indicator Assessment.

E) True Colours Assessment.

50) There is generally _____ systematic training for overseas assignments.

A) too much

B) considerable

C) little or no

D) standardized

E) extensive

51) The first step in ensuring the foreign assignee's success is:

A) job previews.

B) job enrichment.

C) screening.

D) succession planning.

E) human resource planning.

52) A process for ensuring success for managers in overseas assignments is:

A) performance appraisal.

B) job enrichment.

C) job analysis.

D) occupational health and safety training.

E) overseas-oriented training.

53) A four-step approach to special training for overseas candidates includes the following steps EXCEPT:

A) language, adjustment, and adaptation.

B) awareness of cultural differences.

C) attitudes and how they influence behaviour.

D) factual knowledge about the target country.

E) family dynamics.

54) A firm can bring together managers from far-flung subsidiaries and steep them for a week in the firm's cherished values and current strategy and policies in an attempt to build:

A) esprit de corps.

B) a unifying corporate culture.

C) interpersonal skills for teamwork.

D) commitment to the firm.

E) compliance with the firm's rules.

55) The most common method for formulating expatriate pay, to equalize purchasing power across countries, is a technique known as the:

A) income statement approach.

B) balance sheet approach.

C) balanced pay approach.

D) balance of payments approach.

E) balance of trade method.

56) The balance sheet approach for formulating expatriate pay uses the following home-country groups of expenses EXCEPT:

A) goods and services.

B) income taxes.

C) reserve.

D) job evaluation.

E) housing.

57) In the balance sheet approach, base salary will normally be in the same range as the manager's:

A) annual bonus.

B) performance appraisal.

C) home–country salary.

D) foreign country salary.

E) peers.

58) A payment made to compensate a manager for cultural and physical adjustments that he or she will have to make is called a(n):

A) mobility premium.

B) education allowance.

C) housing allowance.

D) overseas incentive.

E) overseas bonus.

59) An international compensation trend used to reward managers is:

A) a lump sum bonus.

B) a piece wage incentive.

C) variable pay.

D) perquisites.

E) an annual bonus.

60) International EAPs can treat common reactions to culture shock, including the following EXCEPT:

A) irritability.

B) depression.

C) chronic fatigue.

D) marital stress.

E) homesickness.

61) The expatriate performance appraisal process could be improved in the following ways EXCEPT:

A) Weight the evaluation more toward the on–site manager's appraisal than the home–country manager's perceptions.

B) Use behaviourally anchored rating scales.

C) Stipulate the assignment's difficulty level.

D) Don't appraise the expatriate manager on quantifiable criteria only–include others such as insight into the interdependencies of domestic and foreign operations.

E) Modify performance appraisal criteria to fit the overseas position.

62) Some important differences between labour relations practices in Europe and North America include the following EXCEPT:

A) time horizon.

B) employer organization

C) labour–management contracts.

D) centralization.

E) union recognition

63) Codetermination, or mandatory worker representation on an enterprise's board of directors, is especially prevalent in:

A) Germany.   B) Sweden.   C) Mexico.   D) Italy.   E) Japan.

64) A committee in which plant workers consult with management about certain issues or share in the governance of the workplace is called a(n):

A) works council.

B) enterprise management committee.

C) workers' rights committee.

D) codetermination committee.

E) joint labour–management committee.

65) Kidnap and ransom insurance is a rapidly growing benefit. The insurance policy usually covers:

A) comprehensive press coverage; lost salary; professional negotiators; pension for family; ransom payment.

B) comprehensive press coverage; cost of survival and escape training; lost salary; pension for family.

C) risk of losing job; inconvenience compensation; security company fees; ransom payment; professional negotiators.

D) a consultant to handle media, law, and family communications; lost salary; professional negotiators; security company fees.

E) a consultant to handle media; vacation compensation; ransom reimbursement; kidnap aid; security company fees.

66) _____ has become a way of life in countries in Latin America, which poses a special threat to expatriates.

A) Kidnapping

B) Street crime

C) Home invasions

D) Drug trafficking

E) Car theft

67) The process of moving back to the parent company and country from the foreign assignment and returning to one's family and familiar surroundings is known as:

A) confiscation.

B) acclimatization.

C) expatriation.

D) reengineering.

E) repatriation.

68) Repatriation refers to the:

A) process of moving family back to the home country.

B) process of moving back to the parent company and country from the foreign assignment.

C) process of moving from one country to another.

D) process of moving home then back to the host country.

E) process of becoming a third–country national.

69) To reduce problems associated with repatriation, the following steps can be taken EXCEPT:

A) assign a sponsor.

B) provide career counselling.

C) write a repatriation agreement.

D) offer financial support.

E) assign the employee to another international position.

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

70) Recent research indicates that workforce mobility programs and how efficiently they are managed has a direct impact on company profits.

71) Management of the HR function in multinational companies is complicated enormously by the need to adapt HR policies and procedures to the differences among countries in which each subsidiary is based.

72) Differences in culture explain why incentive plans in Japan tend to focus on the work group, while in the

West, the focus is usually on individual worker incentives.

73) A high degree of sensitivity and empathy for the cultural and attitudinal demands of coworkers has very little importance when selecting employees to staff overseas operations.

74) Industrial relations, and specifically the relationship between the worker, the union, and the employer, vary dramatically from country to country and have an enormous impact on HR management practices.

75) Expatriate assignments usually fail because the person cannot accommodate to the technical demands of the job.

76) Expatriates are noncitizens of the countries in which they are working.

77) Third−country nationals are citizens of a country other than the parent or host country.

78) Geocentrism, rarely seen, assumes that management candidates must be searched for domestically.

79) A polycentric staffing policy would be more expensive than sending expatriates abroad.

80) Respect, courtesy and tact, display of respect, and kindness were some of the items comprising the "relational skills" factor for international assignees.

81) Adaptability screening aims to assess the family's probable success in handling the foreign transfer and to alert the couple to personal issues that the foreign move may involve.

82) International human resources managers speak about avoiding culture shock in much the same way as using realistic job previews to avoid reality shock among new employees at home.

83) According to one management consultant, there is generally little or no systematic selection and training for assignments overseas.

84) Determining equitable wage rates in many countries is a simple matter.

85) International EAPs can help expatriates with mental health, which is often affected by the stressful relocation process.

86) To improve the expatriate appraisal process, the evaluation should be weighted more toward the home−site manager's perceptions than toward the on−site manager's appraisal.

87) Upon repatriation, a former expatriate family may undergo a sort of reverse culture shock.

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

88) Identify and explain the different classifications of international managers.

89) Describe the different international staffing policies that a multinational corporation may emphasize with top executives.

90) Graciella is the new Director of HR for a soft drink manufacturer with offices in 7 countries. After the last performance appraisal process she heard from expatriate managers that questioned the fairness of the process. Discuss what steps Graciella should take to improve the expatriate performance appraisal process.

91) Discuss important differences between labour relations practices in Europe and North America when

organizat ions open subsidiaries abroad.

92) Discuss steps that can be taken to protect the security of business people abroad.

93) Discuss steps that can be taken to assist in the repatriation process.

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

52) E
53) E
54) B
55) B
56) D
57) C
58) A
59) C
60) C
61) B
62) A
63) A
64) A
65) D
66) A
67) E
68) B
69) E
70) TRUE
71) TRUE
72) TRUE
73) FALSE
74) TRUE
75) FALSE
76) TRUE
77) TRUE
78) FALSE
79) FALSE
80) TRUE
81) TRUE
82) TRUE
83) TRUE
84) FALSE
85) TRUE
86) FALSE
87) TRUE
88) **Locals** are citizens of the countries where they are working.
   Expatriates are noncitizens of the countries in which they are working.
   Home–country nationals are citizens of the country in which the multinational company's headquarters is based.
   Third–country nationals are citizens of a country other than the parent company or host country.
89) **Ethnocentric** staffing policy is one in which all key management positions are filled by parent–country nationals.
   Polycentric–oriented firms would staff foreign subsidiaries with host–country nationals and its home–office headquarters with parent–country nationals.
   Geocentric staffing policy seeks the best people for key jobs throughout the organization, regardless of nationality.
90) Stipulate the assignment's difficulty level.
   Weight the evaluation more toward the on–site manager's appraisal than toward the home–site manager's distant perceptions of the employee's performance.
   The home–site manager does the actual written appraisal; have him or her use a former expatriate from the same overseas location to provide background advice during the appraisal process.
   Adapt the normal performance criteria used for that particular position to fit the overseas position and characteristics of that particular locale.to give the expatriate manager credit for relevant insights into the functioning of the operation and specifically the interdependencies of the domestic and foreign operations.

91) Important differences include centralization; union structure; employer organization; union recognition; union security; labour–management contracts; content and scope of bargaining; grievance handling; strikes; government's role; and worker participation.

92) Provide expatriates with general training about travelling and living abroad.
Have travellers arrive at airports as close to departure time as possible.
Equip the expatriates' car and home with adequate security system.
Have employees vary their departure and arrival times and take different routes to and from work.
Keep employees current on crime and other problems.
Train employees to remain confident at all times: body language can attract perpetrators.

93) • Writing repatriation agreements
• Assigning a sponsor – employee should be assigned a sponsor/mentor (e.g. a senior manager at the parent firm's home office)
• Providing career counselling
• Keeping communication open
• Offering financial support
• Developing reorientation programs
• Building in return trips.