

Chapter 6 - Employee Selection

1. When an organization hires a person who is described as high in predicted success and high in job performance, what do we call that situation?
 - a. a hit
 - b. a miss
 - c. high prediction rate
 - d. a successful selection system

ANSWER: a

2. Abel scored high on an ability test used to hire him. He, however, turned out to be a poor employee. Which term refers to this outcome?
 - a. a hit
 - b. a miss
 - c. a poor prediction rate
 - d. an opportunity cost

ANSWER: b

3. Tom Jones was not selected for a job at ABC Corporation. He was later hired at XYZ Inc. and proved to be an excellent employee. In terms of the selection decision, how would you describe this outcome?
 - a. a lost cause
 - b. an unpredictable miss
 - c. a predictable miss
 - d. an opportunity cost

ANSWER: d

4. Organization B is using an interview format that requires a panel of three interviewers. The company has found that about half of the time, the interviewers disagree in their ratings such that some members of the panel give the candidate a high rating, while others give the same candidate a low rating. What is the best way to describe the interview format that Organization B is using?
 - a. It is not content valid.
 - b. It is lacking predictive validity.
 - c. It is not valid.
 - d. It is not reliable.

ANSWER: d

5. The HR manager and the training manager separately interviewed five applicants for a position. They both ended scoring the five of them very similarly. What is this result an example of?
 - a. high concurrent validity
 - b. high inter-rater reliability
 - c. high construct validity
 - d. high inter-personal reliability

ANSWER: b

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6. What do we call the degree to which selection procedures yield comparable data over a period of time?
- conformity
 - validity
 - reliability
 - consistency

ANSWER: c

7. What do we call the degree to which inferences drawn from interviews, test scores, and other selection procedures are supported by evidence (such as good job performance)?
- predictability
 - validity
 - reliability
 - accuracy

ANSWER: b

8. What is a key reason to ensure that selection procedures are valid?
- to ensure comprehensive training for HR professionals
 - to test reliability
 - because validity guarantees the success of the selection procedure
 - because validity is related to employee productivity

ANSWER: d

9. Which of the following is appropriate to ask on an application form?
- whether the applicant has prior arrests
 - whether the applicant is eligible to be bonded
 - whether the applicant has ever been in jail
 - whether the applicant has ever been caught stealing

ANSWER: b

10. Which of the following types of interviews allows applicants the most freedom in discussing a response to an interview question?
- a structured interview
 - a non-directive interview
 - an open interview
 - a situational interview

ANSWER: b

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11. Organization Beta is hiring 20 new staff for front-line positions. The interview the company is using involves giving the applicant hypothetical incidents and asking how he or she would respond. What is this type of interview called?
- a behavioural description interview
 - a panel interview
 - a situational interview
 - a structured interview

ANSWER: c

12. What type of interview provides the greatest consistency or standardization with respect to the questions asked?
- a structured interview
 - a standardized interview
 - a nondirective interview
 - an unstructured interview

ANSWER: a

13. What type of interview allows the applicant the maximum amount of freedom in determining the course of discussion?
- a structured interview
 - a depth interview
 - a situational interview
 - a nondirective interview

ANSWER: d

14. Questions contained in structured job interviews should be based on which of the following?
- job design
 - job analysis
 - job specialization
 - job knowledge

ANSWER: b

15. Mary was asked a question in an interview about a hypothetical incident and was asked how she would respond to it. What is this type of interview called?
- a situational interview
 - a panel interview
 - a mock interview
 - a nondirective interview

ANSWER: a

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16. During an interview, Seema was asked: “Tell me about the last time you helped to train an employee.” What is this an example of?
- a nondirective interview question
 - a directive interview question
 - a behavioural description interview question
 - a closed response interview question

ANSWER: c

17. Organization Omega is hiring 20 new front-line employees. The company is using an interview that involves three people taking turns asking questions and then pooling their scores of the responses. What is this type of interview called?
- a behavioural description interview
 - a panel interview
 - a situational interview
 - a structured interview

ANSWER: b

18. Which of the following best describes the use of reference checks?
- They are no longer used because organizations won't share information about previous employees for fear of litigation.
 - Their usefulness is limited because most managers will not share performance data.
 - Some organizations have detailed forms for previous employers to fill out in order to get the best information.
 - New human rights laws prohibit their use.

ANSWER: c

19. Which of the following best describes credit reports?
- Organizations must advise and receive written consent from the applicant when they request a credit report.
 - Organizations can request a report on any employee at any time without consent.
 - Organizations do not have to inform applicants if adverse decisions are made based on information in the report.
 - Organizations cannot make adverse decisions based on information in such a report.

ANSWER: a

20. During her interview for a position as a secretary, Nikki was asked to answer a real phone call from a client. The interviewer used her performance to help with the selection decision. Which of the following types of tests was used in this instance?
- a personality test
 - a work sample test
 - an assessment centre test
 - a cognitive ability test

ANSWER: b

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21. What is the GMAT an example of?

- a. a work sample test
- b. a cognitive ability test
- c. a structured ability test
- d. an interest inventory

ANSWER: b

22. Which of the following measures mental capabilities such as general intelligence, verbal fluency, numerical ability, or reasoning ability?

- a. a personality and interest inventory
- b. a physical ability test
- c. a cognitive ability test
- d. a job sample

ANSWER: c

23. According to many experts, what are cognitive ability tests are connected to?

- a. personality
- b. past exposure to a job
- c. situational knowledge
- d. general intelligence

ANSWER: d

24. Which of the following is a key basis for the use of biodata tests?

- a. Family history is important to job success.
- b. They are required by law.
- c. Past behaviour is the best predictor of future behaviour.
- d. There are no right or wrong answers.

ANSWER: c

25. Which of the following do personality tests measure?

- a. disposition and temperament
- b. likability and attitude to work
- c. intelligence and knowledge
- d. attitudes and behaviours

ANSWER: a

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26. Which of the following types of tests measure dispositional characteristics such as extroversion, inquisitiveness, and dependability?
- mental ability tests
 - cognitive ability tests
 - personality tests
 - biodata tests

ANSWER: c

27. The “Big Five” factors are related to what type of employment tests?
- cognitive ability tests
 - general intelligence tests
 - personality tests
 - mental awareness tests

ANSWER: c

28. Why would an organization use an integrity test?
- because even though such tests are not correlated with reduced disruptive behaviours, they have been correlated with reduced turnover
 - because such tests are designed to identify thieves
 - because these tests not only reduce theft, but also have been shown to have a relationship with performance on the job
 - because in using an integrity test, you can avoid the use of most other selection tests, since it has been shown that these are good stand-alone predictors

ANSWER: c

29. What is currently the most effective way to assess a person’s honesty during the selection process?
- graphology testing
 - polygraph testing
 - integrity testing
 - background testing

ANSWER: c

30. In the “Big Five” personality tests, what is the dimension captured by the degree to which someone is dependable and organized, and perseveres?
- conscientiousness
 - agreeableness
 - extroversion
 - dependability

ANSWER: a

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31. Which of the following best describes drug testing in the selection process?
- It is conducted by very few Canadian organizations
 - It is illegal in Canada.
 - It is required by law.
 - It is conducted in most Canadian workplaces.

ANSWER: a

32. Six months ago, Organization A used a new selection system to hire 100 front-line staff members. With six months of performance data in hand, Organization A is interested in determining if its new selection system predicts performance on the job. What is the best way to describe this process?
- assessing concurrent validity through a cross-validation study
 - assessing concurrent validity through a criterion-related validity study
 - assessing predictive validity through a criterion-related validity study
 - assessing predictive validity through a cross-validation study

ANSWER: c

33. Organization C has developed a new selection system. The company is interested in determining if the system predicts performance on the job, so Organization C gave the selection tests to 100 existing employees. What is the best way to describe this process?
- assessing concurrent validity through a cross-validation study
 - assessing concurrent validity through a criterion-related validity study
 - assessing predictive validity through a criterion-related validity study
 - assessing predictive validity through a cross-validation study

ANSWER: b

34. Which of the following terms refers to the extent to which good performance on an employment selection test correlates with high marks on a performance review?
- construct validity
 - content validity
 - criterion-related validity
 - cross-validation

ANSWER: c

35. Giving applicants a clerical aptitude test and then tracking their performance one year later is an example of which of the following?
- construct validity
 - concurrent validity
 - content validity
 - predictive validity

ANSWER: d

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36. Validity tests related to such things as intelligence and anxiety typically assess which of the following?
- criteria validity
 - content validity
 - concurrent validity
 - construct validity

ANSWER: d

37. What do we call the process whereby a test or test battery is administered to a different sample (drawn from the same population) for the purpose of verifying the results obtained from the original validation study?
- repeat validation
 - cross-validation
 - construct validation
 - inferential validation

ANSWER: b

38. The “will do” factors of an applicant include which of the following?
- knowledge and skills
 - cognitive abilities
 - aptitude
 - motivation and interests

ANSWER: d

39. Which of the following conditions represents a test that could be described as “construct valid”?
- A professor puts one essay question on the final exam, and that essay question is drawn from the chapter that she feels is the most important.
 - A manager uses a work sample test used for selection that has facets that tap in to every major aspect of the job.
 - A researcher gives a test of “job satisfaction” to a group of participants and checks to make sure that his results correlate with other measures of satisfaction.
 - A manager assesses how effective his selection test is by checking the performance of successful candidates months after they are hired.

ANSWER: c

40. Intelligence, mechanical comprehension, and anxiety are examples of which of the following?
- job requirements
 - constructs
 - theories
 - personality traits

ANSWER: b

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41. Which of the following is the most objective approach in making employee selection decisions?
- “can-do” approach
 - statistical approach
 - clinical approach
 - “will-do” approach

ANSWER: b

42. Organization T uses a decision-making model in which an applicant is allowed to score poorly in one area of the selection tests, as long as he or she scores very high in another area. What is this type of decision-making model called?
- a statistical model
 - a multiple hurdle model
 - a compensatory model
 - a multiple cutoff model

ANSWER: c

43. A university uses several criteria for accepting students. There is a minimum score that students have to achieve on each of the criteria to get admitted. What type of selection model is being used?
- moving criteria model
 - multiple criteria model
 - multiple cutoff model
 - compensatory model

ANSWER: c

44. A manager is examining the number of applicants for a job compared to the number of people needed to be hired. What is this figure called?
- the yield ratio
 - the selection ratio
 - the base ratio
 - the validity coefficient

ANSWER: b

45. What does a selection ratio of .9 mean?
- It means 90 percent of the applicants applying to the position will be hired.
 - It means 10 percent of the applicants applying to the position will be hired.
 - It means 9 percent of the applicants applying to the position will be hired.
 - It means 1 percent of the applicants applying to the position will be hired.

ANSWER: a

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Scenario 6.1

Canadian Fasteners is an Ottawa-based packing firm that packages nuts, bolts, and screws for various Canadian furniture companies. The firm started operations in 2003 with 13 employees and has grown to over 150 employees today. Employees are paid hourly rates with benefits similar to other packing firms across Ontario. The work does not need previous experience. Canadian Fasteners has been struggling to recruit and hire the right employees to take the company into the new millennium. Part of the problem is that workers, especially floor workers, are hired by word of mouth with no formal application process or even an interview. As a result, the company faces a high turnover rate and spends valuable time training new employees who may not have the prerequisite skills to effectively do the job in the first place.

46. Refer to Scenario 6.1. Which of the following does Canadian Fasteners need to do to gather information about its candidates?
- administer a lie detector test
 - run background and credit checks on all employees
 - gather résumés and applications and conduct interviews
 - continue as it is currently doing things

ANSWER: c

47. Refer to Scenario 6.1. Canadian Fasteners is trying to implement a process to recruit and hire workers. Which of the following would work best in this type of organization?
- a non-directive style
 - a structured interview
 - an open interview
 - a contextual interview

ANSWER: b

48. Refer to Scenario 6.1. Assume Canadian Fasteners designates a person to review the applications and conduct the interviews. Which of the following is NOT helpful to the interviewer?
- non-standardized questions
 - understanding the job
 - establishing an interview plan
 - controlling the course of the interview

ANSWER: a

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Scenario 6.2

Computer Direct Inc. is a mid-sized technology firm that specializes in designing, manufacturing, and selling computers. The organization staff complement is very diverse, and most of the company's employees are in the development and design, sales, and marketing departments. Computer Direct has been using only one method to make recruitment decisions for all of its employees, from managerial to technical to clerical. Data is gathered on each candidate, and a committee assigns scores to candidates based on its understanding of the job. Candidates, however, are not given the opportunity to be tested and hired based on their respective scores. Essentially, decisions are made based on personal judgments.

49. Refer to Scenario 6.2. Which approach best reflects how decisions about recruiting are made at Computer Direct?
- psychological approach
 - clinical approach
 - statistical approach
 - behavioural approach

ANSWER: b

50. Refer to Scenario 6.2. If Computer Direct wants to use more objective methods of decision making, which of the following is the best approach?
- demonstrated approach
 - compensatory approach
 - subjective iterative approach
 - statistical approach

ANSWER: d

51. Refer to Scenario 6.2. Which approach is considered superior and would best serve the needs of Computer Direct?
- objective approach
 - clinical approach
 - statistical approach
 - personal judgment approach

ANSWER: c

52. Reliability refers to the extent to which two methods yield similar results, but not to the agreement between two or more raters.
- True
 - False

ANSWER: False

53. If an organization's selection procedures yield comparable data over a period of time, the procedures are valid.
- True
 - False

ANSWER: False

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54. Validity refers to what a selection procedure measures and how well it measures it.
- a. True
 - b. False

ANSWER: True

55. Most organizations require application forms to be completed because they provide a fairly quick and systematic means of obtaining a variety of information about the applicant.
- a. True
 - b. False

ANSWER: True

56. Application forms should always require relevant dates, including date of birth.
- a. True
 - b. False

ANSWER: False

57. It is estimated that at least 30 percent of applicants stretch the truth on their résumés.
- a. True
 - b. False

ANSWER: True

58. Although many organizations are encouraging applicants to apply for jobs online, this practice slows down the application process.
- a. True
 - b. False

ANSWER: False

59. Online applications can speed up the selection process, combine information, and disseminate promising leads to hiring managers more efficiently.
- a. True
 - b. False

ANSWER: True

60. Although widely used, employment interviews pose potential concerns about validity.
- a. True
 - b. False

ANSWER: True

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61. Data obtained from nondirective interviews are difficult to validate.

- a. True
- b. False

ANSWER: True

62. The situational interview is a variation of the unstructured interview.

- a. True
- b. False

ANSWER: False

63. A situational interview asks the applicant what he or she actually did in a given situation.

- a. True
- b. False

ANSWER: False

64. Situational interviews ask applicants how they would respond, while behavioural description interviews ask applicants how they did respond

- a. True
- b. False

ANSWER: False

65. Behavioural description interviews are based on hypothetical situations.

- a. True
- b. False

ANSWER: False

66. “Tell me about the last time you disciplined an employee” could be a behavioural description interview question.

- a. True
- b. False

ANSWER: True

67. “Tell me more about your experiences on your last job” is an example of a nondirective interview question.

- a. True
- b. False

ANSWER: True

68. The premise of a behavioural interview is that “past performance is the best predictor of future performance.”

- a. True
- b. False

ANSWER: True

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69. Behavioural description interviews appear to be more effective than situational interviews, especially for higher-level positions.

- a. True
- b. False

ANSWER: True

70. HRM specialists have found that panel interviews lead to higher reliability and faster decision times than one-to-one interviews.

- a. True
- b. False

ANSWER: True

71. Video interviews have the advantages of speed and cost-effectiveness.

- a. True
- b. False

ANSWER: True

72. Typically, a computer interview requires candidates to answer a series (75–125) of multiple-choice questions tailored to the job.

- a. True
- b. False

ANSWER: True

73. Employers are required by law to provide references for former employees.

- a. True
- b. False

ANSWER: False

74. Written letters of reference are very valid in the selection of employees.

- a. True
- b. False

ANSWER: False

75. Credit checks are the most common form of reference check.

- a. True
- b. False

ANSWER: False

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76. The federal government relies extensively on employment testing in the selection process.
- a. True
 - b. False

ANSWER: True

77. Aptitude tests measure what a person knows or can do right now.
- a. True
 - b. False

ANSWER: False

78. The Scholastic Aptitude Test (SAT) is an example of a cognitive ability test.
- a. True
 - b. False

ANSWER: True

79. Since biographical information blanks rarely have obviously right or wrong answers, they are difficult to fake.
- a. True
 - b. False

ANSWER: True

80. Studies have shown that an objective scoring of biographical information blanks and application forms is one of the most potentially valid methods that can be used to predict job success.
- a. True
 - b. False

ANSWER: True

81. Personality tests measure such things as agreeableness, extroversion, and openness to experience.
- a. True
 - b. False

ANSWER: True

82. Conscientiousness refers to the degree to which someone is trusting, amiable, cooperative, and flexible.
- a. True
 - b. False

ANSWER: False

83. In most instances, employers can legally use polygraph tests to screen applicants.
- a. True
 - b. False

ANSWER: False

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84. A comprehensive analysis of honesty tests reveals that they are valid for predicting theft, disciplinary problems, absenteeism, and job performance.

- a. True
- b. False

ANSWER: True

85. Human rights legislation severely limits the types of medical inquiries and examinations that employers may use.

- a. True
- b. False

ANSWER: True

86. Medical examinations are usually conducted before an offer of employment is made.

- a. True
- b. False

ANSWER: False

87. Drug testing is used much more frequently in Canada than in the United States.

- a. True
- b. False

ANSWER: False

88. Because of the physical differences between the genders, physical ability tests should be carefully validated on the basis on the essential functions of the job.

- a. True
- b. False

ANSWER: True

89. Predictive validity is assessed when the test scores of job applicants are held against the performance data for existing employees.

- a. True
- b. False

ANSWER: False

90. In general, a criterion-related method of assessing selection test validity is preferred over other methods because it is based on empirical data.

- a. True
- b. False

ANSWER: True

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91. Criterion-related validity is the extent to which a selection tool predicts or correlates with important elements of work behaviour.

- a. True
- b. False

ANSWER: True

92. Concurrent validity involves testing applicants and obtaining criterion data after they have been on the job for some indefinite period.

- a. True
- b. False

ANSWER: False

93. Predictive and concurrent validity are determined by comparing test scores with supervisor performance ratings.

- a. True
- b. False

ANSWER: True

94. If a work sample test includes major job functions and predicts job success, it has content validity.

- a. True
- b. False

ANSWER: True

95. The closer the content of the selection instrument to actual work samples or behaviours, the higher the content validity.

- a. True
- b. False

ANSWER: True

96. Content validity is the most direct and least complicated type of validity to assess.

- a. True
- b. False

ANSWER: True

97. Asking an applicant for an accounting position to solve accounting problems similar to those encountered on the job is an example of construct validity.

- a. True
- b. False

ANSWER: False

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98. Measuring construct validity requires linking a psychological test to job performance.

- a. True
- b. False

ANSWER: True

99. It is much easier to measure what individuals can do than what they will do.

- a. True
- b. False

ANSWER: True

100. Strategies for selecting managerial and technical people are relatively similar.

- a. True
- b. False

ANSWER: False

101. Measuring KSAOs of an applicant against the competencies required for the job is called person–organization fit.

- a. True
- b. False

ANSWER: False

102. When trying to achieve person–organization fit, managers will pass up potential employees who don't embrace the values of the company even if they have excellent job skills.

- a. True
- b. False

ANSWER: True

103. Person–organization fit has become more of a focus in firms that need teamwork and flexibility.

- a. True
- b. False

ANSWER: True

104. In large organizations, supervisors are usually responsible for making job offers and notifying applicants of selection decisions.

- a. True
- b. False

ANSWER: False

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105. Define the concepts of reliability and validity.

ANSWER: Reliability describes the degree to which interviews, tests, and other selection procedures yield comparable data over a period of time. For example, if an interviewer judges the capabilities of a group of applicants differently today than yesterday, his or her judgment is unreliable. Reliability can also be determined by interrater reliability, or agreement between two or more raters. Selection decision data that are unreliable cannot be used as predictors of job success.

Validity refers to what a selection procedure measures and how well it measures it. For personnel selection, validity indicates the extent to which data from a selection procedure are predictive of job performance or other relevant criteria. In order for a test to be valid, it must also be reliable. However, reliability does not assure validity.

106. Compare and contrast the following four interview approaches: (1) nondirective interview, (2) structured interview, (3) situational interview, and (3) behavioural description interview.

ANSWER: In a nondirective interview, the interviewer allows the applicant the maximum amount of freedom in determining the course of the discussion. The interviewer asks broad, general questions, but permits the applicant to talk freely with little interruption. The greater freedom afforded to the applicant in the nondirective interview is particularly valuable in bringing to the interviewer's attention any information, attitudes, or feelings that may be concealed by a more structured approach. However, the unstructured nature of this approach limits the consistency of information provided and makes it difficult to cross-check agreement with other interviewers. Thus, the reliability and validity of the nondirective approach is suspect.

The structured interview has a number of standard questions asked of each job applicant. Questions are job-related based upon job analysis. Since applicants are asked identical questions, the structured interview provides a more consistent basis for evaluating job candidates. This interview strives to maximize the validity of selection decisions.

With the situational interview, the applicant is given a hypothetical incident and asked to respond how he or she would handle it. Responses are evaluated relative to pre-established standards.

Behavioural description interviews focus on actual work experiences in the applicant's past. The behavioural questions ask the applicant what he or she actually did in a given situation. This interviewing approach assumes that past performance is the best predictor of future performance.

107. Identify and explain the five primary types of employment tests.

ANSWER:

- Cognitive ability tests measure mental capabilities such as general intelligence, verbal fluency, numerical ability, and reasoning ability.
- Personality and interest inventories measure dispositional characteristics such as extroversion, inquisitiveness, and dependability.
- Physical ability tests assess a job candidate's physical abilities such as strength and endurance.
- Job knowledge tests are a type of achievement test designed to measure a person's level of understanding about a particular job.
- Work sample tests, or job sample tests, require the job applicant to perform tasks that are actually part of the work required on the job.

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

1. Some organizations that want to focus on their core functions, including small businesses that lack time or HR personnel, sometimes use outside firms for their recruiting functions. What is this process called?
- delegation of recruiting
 - core function planning
 - recruitment channelling
 - recruiting process outsourcing

ANSWER: d

2. What is the most likely outcome of recruiting from within?
- It would increase recruiting costs.
 - It would reduce employee motivation.
 - It would inhibit creativity.
 - It would increase an organization's technology.

ANSWER: c

3. What is the most likely outcome of hiring an external candidate for a position in an organization?
- It would lead to an increase in information about the market.
 - It would increase morale among executives.
 - It would lead to revitalization of the organization.
 - It would decrease creativity.

ANSWER: c

4. Which of the following is a characteristic of a tight labour market?
- high unemployment
 - low unemployment
 - declining compensation rates
 - low productivity

ANSWER: b

5. Which of the following is a potential limitation when an organization practises promotion from within?
- "inbreeding"
 - increased cost-per-hire by using the firm's job posting system
 - reduced employee morale
 - increased employee turnover

ANSWER: a

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

6. ABC Corporation needs a new CEO. What is an important advantage of getting this person externally?
- It helps to promote outbreeding.
 - It helps the organization maintain a rich organizational culture.
 - It helps to lower initial pay, thus saving on compensation costs.
 - It helps the organization gain access to knowledge from previous employers.

ANSWER: d

7. Which of the following positions would most likely be filled by external candidates?
- intermediate IT technicians
 - senior accounting clerks
 - supervisors
 - head coaches of professional sports teams

ANSWER: d

8. What determines the effectiveness of a computerized record system (such as SAP and PeopleSoft) for locating qualified internal job candidates?
- the extent to which data in the system is kept current
 - the extent to which the system is “user-friendly”
 - the costs for updating the system
 - the availability of the system to line personnel

ANSWER: a

9. Organization W has had an opening in a key managerial role for three weeks, which is viewed as a long time. In situations like this in the past, Organization W has had to resort to hiring external to the organization, which is less preferable to the company, in order to fill the position in question. What is Organization W likely suffering from?
- poor HR planning
 - a weak training and development program in the organization
 - a weak talent bench
 - a lack of value for promotions in the organization

ANSWER: c

10. Trade schools can be a good source for recruits for what types of positions?
- entrepreneurial and managerial
 - managerial and executive
 - entrepreneurial and executive
 - entry level and highly skilled employees

ANSWER: d

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

11. Which of the following groups is most likely to respond to advertisements placed through social media?
- Generation X
 - Generation Y
 - retirees
 - baby boomers

ANSWER: b

12. Learning in Development (LID) is a high-tech firm that specializes in applications for hand-held devices. It is looking for a cheap, fast, and effective way of recruiting new candidates. Which strategy would best suit LID?
- Internet recruiting
 - executive search firms
 - labour unions
 - walk-in job applicants

ANSWER: a

13. Sarah is not actively looking for a job but she could be persuaded to take a new job if given the right opportunity. What is the term we used to describe Sarah?
- reluctant candidate
 - job hopper
 - passive job seeker
 - active job seeker

ANSWER: c

14. What is often the greatest criticism of search firms?
- They allow for too much “inbreeding.”
 - Their clients have to pay them even if the search is unsuccessful.
 - Their search is not sufficiently wide.
 - They attract too many lawsuits.

ANSWER: b

15. Which external recruiting source normally provides applicants who stay with the organization the longest?
- newspaper ads
 - search firms
 - job fairs
 - employee referrals

ANSWER: d

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

16. Which recruitment method is more likely than the others to result in discrimination against members of protected groups?
- executive search firms
 - social media
 - employee referrals
 - educational institutions

ANSWER: c

17. What is the key reason why the quality of employee-referred applicants tends to be high?
- Employees are hesitant to recommend applicants who might not perform well.
 - Employees train the applicants.
 - Employees tend to refer their friends and relatives.
 - Inbreeding improves the quality.

ANSWER: a

18. Which of the following is the most important disadvantage of using employee referrals for recruitment?
- It makes human resource planning near impossible due to the unpredictable nature of the talent pool.
 - Training recruiters to recognize potential in candidates in this way is difficult and costly.
 - Discrimination may result because people tend to refer others from similar backgrounds.
 - It is likely that individuals will refer weak candidates in order to lessen internal competition for promotions.

ANSWER: c

19. What is a key factor in the success of any employee referral program?
- measuring results
 - paying employees well for good referrals
 - increasing the visibility of the program
 - ensuring nepotism

ANSWER: a

20. What is the practice of hiring relatives called?
- insourcing
 - nepotism
 - favouritism
 - inbreeding

ANSWER: b

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

21. If you are to offer advice to an employer for an effective newspaper advertisement, which of the following is NOT something that you should advise?
- Overlook community newspapers or classified publications that target a specific market segment.
 - Try to be too creative.
 - Provide a lot of information about the position.
 - Mention that the company is an equal opportunity employer.

ANSWER: b

22. Which of the following is an important limitation of using educational institutions for recruitment?
- The education students receive is not relevant to the workplace.
 - Basing recruitment of candidates on grade transcripts is not a valid selection tool.
 - Recruitment is limited to sales and retail.
 - Candidates generally have limited full-time job experience.

ANSWER: d

23. Which of the following sources of applicants is associated with temporary employees more than the other sources?
- search firms
 - walk-ins
 - private employment agencies
 - job fairs

ANSWER: c

24. Company A sometimes recruits employees from its network of past employees/alumni. What is this process called?
- retiree recruiting
 - re-recruiting
 - network recruiting
 - employee leasing

ANSWER: b

25. Which of the following best describes private employment agencies?
- They commonly provide services only to college graduates.
 - They do not charge a fee for their services.
 - They are administered through the provincial governments.
 - They commonly specialize in providing services for a specific occupational area.

ANSWER: d

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

26. Which of the following is NOT a service generally offered by public employment agencies?
- a. compensation surveys
 - b. evaluation programs
 - c. employment testing
 - d. apprenticeship programs

ANSWER: a

27. When Mark applied for a job as an engineer in a small town in Northern Canada, he was told that the pay was good, but that it can be very lonely and cold in the winter. Which of the following approaches to recruiting is the employer using?
- a. realistic job preview
 - b. balanced scorecard
 - c. balanced recruiting
 - d. negative/positive job assessment

ANSWER: a

28. Which organizational situation is most likely to benefit from using realistic job previews?
- a. in the financial industry where there are few jobs but the training is arduous and jobs are not very lucrative despite the promise of wealth in the long run
 - b. in creative organizations, such as symphony orchestras, where the work is not well paid and the training is intense
 - c. in a high-tech organization where despite being in a very competitive industry engineers are allowed to explore their creative side and are motivated financially to suggest innovative products
 - d. in a meat-processing plant where the work is very messy, the smell is strong and unpleasant, and a lot of expensive training is needed to do the job well

ANSWER: d

29. Which of the following is NOT a method generally used to improve the effectiveness of recruitment?
- a. surveys
 - b. yield ratios
 - c. realistic job previews
 - d. employment testing

ANSWER: d

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

30. In order to identify qualified candidates for the job of “tennis teaching professional,” Canmay Tennis Clubs have job candidates face a series of situations while they are observed, such as dealing with a series of emails from an unhappy club client in a difficult situation, role-playing a lesson, and a behavioural interview. Which method of identifying qualified candidates is Canmay using?
- in-basket exercises
 - interviewing
 - a work sample
 - an assessment centre

ANSWER: d

31. When Mary was recruited for her position, she was evaluated in a series of situations that resembled what she would likely experience on the job. Which recruitment method was the employer using?
- skills inventory
 - management talent inventory
 - assessment centre
 - performance appraisal

ANSWER: c

32. What is the first stage in the career stage model?
- early childhood
 - organizational entry
 - preparation for work
 - early career

ANSWER: c

33. In identifying career opportunities and requirements within an organization, what is the vital first step?
- preparing a competency or job analysis
 - preparing performance appraisals of existing staff in those positions
 - ensuring the job progressions within the organization are clear
 - identifying career paths

ANSWER: a

34. Linda has advanced through several roles with increasing responsibilities at ABC Corporation, including HR assistant, HR generalist, and HR manager. What is the term for this line of advancement?
- line path
 - career line
 - job line progression
 - career path

ANSWER: d

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

35. Which of the following best describes outplacement services?
- They are useful methods of attracting individuals into a career.
 - They are designed to help terminated employees find a job elsewhere.
 - They are rarely given to executive employees.
 - They are vital parts of any career management system.

ANSWER: b

36. Hamid is a professional engineer. He is not permanently in a management role, but is paid at management rate, and can choose to take up management roles without sacrificing his engineering role. How would you describe his career path?
- complex career path
 - boundaryless career path
 - dual career path
 - divergent career path

ANSWER: c

37. Which of the following best captures the “Peter Principle”?
- Through natural selection, incompetent employees tend to turn over.
 - When promoting based on past performance and seniority, employees will be promoted regularly until they are promoted to a position where they cannot perform well.
 - Incompetence breeds incompetence.
 - Managers who are incompetent tend to produce situations where there are more grievances, more voluntary turnover, more absenteeism, and more harassment.

ANSWER: b

38. Sandeep has been fired from his managerial position. His organization provides services to help him become employable and find a suitable position elsewhere. What are these services called?
- coaching
 - mentoring
 - outplacement
 - relocation

ANSWER: c

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

39. Which of the following is the best example of a person with a boundaryless career?
- a. When Deborah become pregnant with her third child, she decided that working less would be best for her family. She now shares her job with another person who also works part-time.
 - b. Yusef quit his job of 10 years to open his own business and work from home. He has the freedom of being his own boss and being flexible with his schedule.
 - c. Bill works in a creative role within an organization with a flat structure. In such an organization there are opportunities to contribute at all levels.
 - d. Sally has worked for three different organizations in five years. Each time she moves to a new organization, and usually a higher position, she takes with her the skills and abilities she learned in her previous role.

ANSWER: d

40. Sukhi is an excellent engineer and has been promoted three times within her current organization—she is now at the top level of engineering. She loves being an engineer, but the organization has now offered her a very lucrative position as a manager. If she wants to continue to be promoted, the only way is to move into management, since there are no higher engineering jobs for her. Which of the following programs would benefit Sukhi?
- a. a boundaryless career
 - b. competency analysis
 - c. dual career tracking
 - d. a structural career plateau

ANSWER: c

41. Which of the following refers to those artificial barriers based on attitudinal or organizational bias that prevent qualified individuals from advancing upward in their organizations into management positions?
- a. artificial barriers
 - b. the glass floor
 - c. the job plateau
 - d. the glass ceiling

ANSWER: d

42. ABC Corporation identifies the top 10 of its junior engineers and allows them to select a top executive to work with on their career development, including goals, expectations, and standards. How would you describe the resulting relationship between the executive and the junior engineer?
- a. formal mentoring
 - b. controlled development
 - c. dual career planning
 - d. career networking

ANSWER: a

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

43. Luba is developing a mentoring program for her organization. She has put a great deal of effort into making sure that all protégés are matched demographically with their mentor (gender, race, etc.), educating participants about facts such as the reciprocal nature of the relationship, and that the relationship can be used for personal and professional development. In her plans, which myth about mentors has Luba fallen victim to?
- A mentor has to be the same gender and race as the protégé.
 - Mentoring should focus on the professional and not the personal.
 - Although mentoring can be reciprocal, that is just a by-product. The focus should be on the protégé.
 - Highly profiled people make the best mentors.

ANSWER: a

44. Which of the following is NOT a factor included in a self-evaluation for successful career development?
- your interests
 - academic achievement
 - academic aptitude
 - organizational opportunities for advancement

ANSWER: d

Scenario 5.1

Beloitte Industries Inc. (BI Inc.) has been one of Canada's leading financial advisory firms for over 50 years. Staffed by roughly 4000 employees in most major cities across the country, BI Inc. prides itself on hiring recent graduates from renowned business schools and offering them competitive salaries, excellent benefits and perks, and limitless training and development opportunities. Employees also have the opportunity to work from home a couple days a week. Over the years, the company realized that while it has no problems recruiting top candidates to the firm, it is having a harder time retaining them. Exit surveys reveal that while employees appreciate all the perks, benefits, and top salaries that attracted them to the organization, they are not able to enjoy them due to six-day workweeks and 14-hour days, leaving very little time for friends and family. They did not know of these work situations when they were hired.

45. Refer to Scenario 5.1. BI Inc.'s problems stem from which of the following?
- not providing all the realities of the job when hiring
 - lack of flexibility for employees
 - too many unexpected surprises
 - providing unrealistic rewards

ANSWER: a

46. Refer to Scenario 5.1. Which of the following is helpful in achieving retention at BI Inc.?
- highlighting only the positive aspects of the job when hiring
 - not providing a tour of the working facility during the recruitment process
 - providing a recruitment package that covers desirable and undesirable attributes
 - discussion of how to compensate for any negative consideration

ANSWER: c

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

47. Refer to Scenario 5.1. Adopting a realistic job preview at BI Inc. can lead to which of the following?
- a. turnover of employees who are more driven by the money
 - b. better job satisfaction and lower turnover
 - c. inaccurately reflecting the culture for which the candidate is signing up
 - d. negative effect on the socialization process

ANSWER: b

Scenario 5.2

Star Bright Consulting, a Canadian private employment agency specializing in IT staffing, has been successfully providing qualified IT employees to various firms in the Greater Toronto Area. Recently, the agency has been experiencing problems with its selection process. Primarily, the agency's clients are not happy with the length of time it takes to fill positions that become available. Even though Star Bright has been successful over the years, it is not fully leveraging technology to aid in its recruitment and selection efforts.

48. Refer to Scenario 5.2. Which of the following can be used to speed up the recruitment process while providing valuable information such as time and costs related to hiring?
- a. quality of fill statistics
 - b. online software application
 - c. leveraging technology
 - d. applicant tracking system

ANSWER: d

49. Refer to Scenario 5.2. Which of the following is not useful in assisting Star Bright with efforts to improve its recruitment and selection process?
- a. yield ratio
 - b. time to fill a position
 - c. realistic job preview
 - d. cost per hire

ANSWER: c

50. Refer to Scenario 5.2. Which of the following tools can Star Bright use to promote the IT careers it offers?
- a. blogs and articles in industry publications
 - b. chat lines in cyberspace
 - c. an intranet where positions can be quickly viewed and applied for
 - d. links to current employees' Facebook profiles

ANSWER: a

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

51. A recruiting strategy that works for one form might not work for another.
- a. True
 - b. False

ANSWER: True

52. The effectiveness and attractiveness of recruiters is often a main reason why applicants select one organization over another.
- a. True
 - b. False

ANSWER: True

53. In addition to the positive morale benefits, recruiting from within the organization also attempts to capitalize on HR and human capital investments.
- a. True
 - b. False

ANSWER: True

54. Excessive reliance upon internal sources can create the risk of employee cloning.
- a. True
 - b. False

ANSWER: True

55. In many cases, hiring someone from outside is seen as essential for revitalizing the organization.
- a. True
 - b. False

ANSWER: True

56. The best source for recruitment will vary depending on the industry.
- a. True
 - b. False

ANSWER: True

57. When unemployment levels are low, employers may need to use more sources of recruitment.
- a. True
 - b. False

ANSWER: True

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

58. Organizations tend to integrate their promotion-from-within policy and their employment equity programs.
- a. True
 - b. False

ANSWER: True

59. Job posting and bidding can be done via electronic bulletin boards or on regular bulletin boards, employee publications, special handouts, direct mail, and public address messages.
- a. True
 - b. False

ANSWER: True

60. Recruiters usually have minimal influence on an applicant's decision to work for one organization or another.
- a. True
 - b. False

ANSWER: False

61. A recruiter's job is to "sell" applicants on the organization, but they have no influence on their decision.
- a. True
 - b. False

ANSWER: False

62. At least one research study has found that managers often hire external candidates rather than promote their current employees because they have a tendency to overvalue unfamiliar candidates and undervalue known ones.
- a. True
 - b. False

ANSWER: True

63. Human resources information systems can be used to predict the career paths of employees.
- a. True
 - b. False

ANSWER: True

64. The most common method used by job searchers is responding to printed advertisements.
- a. True
 - b. False

ANSWER: False

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

65. Skill inventories are an important tool for succession planning.

- a. True
- b. False

ANSWER: True

66. Placement is the process of attempting to locate and encourage potential applicants to apply for existing or anticipated job openings.

- a. True
- b. False

ANSWER: False

67. Advertisements can allow selectivity in attracting applicants.

- a. True
- b. False

ANSWER: True

68. There is a correlation between the accuracy and completeness of an advertisement and recruitment success.

- a. True
- b. False

ANSWER: True

69. Often, applicants will respond to an advertisement even if they don't meet the job requirements.

- a. True
- b. False

ANSWER: True

70. The most commonly used search tactic for job seekers is Internet recruiting.

- a. True
- b. False

ANSWER: True

71. Applicants who find employment through an employee referral tend to be a problem because they tend to quit more often.

- a. True
- b. False

ANSWER: False

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

72. Nepotism is a problem with executive search firms.

- a. True
- b. False

ANSWER: False

73. Educational institutions are typically a source of young applicants with formal training but relatively little full-time work experience.

- a. True
- b. False

ANSWER: True

74. Recruiters sent to university and college campuses must be properly trained and prepared to talk to candidates about their company and job requirements of specific openings.

- a. True
- b. False

ANSWER: True

75. For technical and managerial positions, community colleges are generally the primary source of recruitment.

- a. True
- b. False

ANSWER: False

76. Public employment agencies work closely with private employment agencies.

- a. True
- b. False

ANSWER: False

77. Private employment agencies often specialize in particular occupations or professions.

- a. True
- b. False

ANSWER: True

78. Labour unions can be a recruiting source for some professional job openings.

- a. True
- b. False

ANSWER: True

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

79. The realistic job preview informs applicants about all aspects of the job, including both its desirable and its undesirable facets.

- a. True
- b. False

ANSWER: True

80. Realistic job previews reduce turnover, but also reduce job acceptance rates.

- a. True
- b. False

ANSWER: True

81. Yield ratios can help indicate which recruitment sources are most effective at producing qualified job candidates.

- a. True
- b. False

ANSWER: True

82. Yield ratios should be calculated for each recruiting source.

- a. True
- b. False

ANSWER: True

83. An assessment centre is a place where people are evaluated.

- a. True
- b. False

ANSWER: False

84. It is the responsibility of the organization to supply information about its mission, policies, and plans for providing support for employee self-assessment, training, and development.

- a. True
- b. False

ANSWER: True

85. Career management involves a good deal of analysis and planning.

- a. True
- b. False

ANSWER: True

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

86. It is the responsibility of the employee to identify his or her own knowledge, skills, abilities, interests, and values and to seek out information about career options in order to set goals and develop career plans.

- a. True
- b. False

ANSWER: True

87. If career development is to succeed, it must receive the complete support of top management.

- a. True
- b. False

ANSWER: True

88. A common approach to establishing a career development program is to integrate it with the existing HR functions and structures in the organization.

- a. True
- b. False

ANSWER: True

89. Some career development paths provide new assignments that increase skill areas and assignments in different functional areas.

- a. True
- b. False

ANSWER: True

90. The lines of advancement for an individual within an organization are known as job paths.

- a. True
- b. False

ANSWER: False

91. Employability refers to the skills and support needed to find a job.

- a. True
- b. False

ANSWER: True

92. Transfers usually provide the same motivational value as promotions.

- a. True
- b. False

ANSWER: False

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

93. Outplacement services help terminated employees find a job elsewhere.

- a. True
- b. False

ANSWER: True

94. The placement of an employee in another job at a higher level in the organization with an increase in pay and status is known as a job rotation.

- a. True
- b. False

ANSWER: False

95. A dual career path is for couples who are both working professionals in the same field.

- a. True
- b. False

ANSWER: False

96. Career planning workbooks are popular means of helping employees identify their potential.

- a. True
- b. False

ANSWER: True

97. Fast-track programs were initiated in some organizations as a way to retain young managers with high potential.

- a. True
- b. False

ANSWER: True

98. Mentoring functions can be divided into two broad categories: (1) technical development and (2) career planning.

- a. True
- b. False

ANSWER: False

99. Mentoring is one important indicator of management support in career development.

- a. True
- b. False

ANSWER: True

100. Mentoring programs develop over time and on an informal basis.

- a. True
- b. False

ANSWER: True

Chapter 5 - Expanding the Talent Pool: Recruitment and Careers

101. What are the advantages and disadvantages of internal recruitment?

ANSWER: The use of internal source applicants provides motivation and enhances the morale of the current workforce by linking performance to rewards. Also, internal applicants are well known to management and require less training than external applicants. Disadvantages or limitations of internal recruitment include the inability to be able to fill certain jobs (e.g., jobs that require specialized training or experience). Internal recruitment may also perpetuate inbreeding of ideas and attitudes. Excessive reliance on internal sources can create the risk of “employee cloning” and may limit the organization from gaining knowledge. External source applicants often bring new and innovative ideas to the workplace. They are less likely to think in the same old ways as current employees. Also, external candidates can be used to provide knowledge, skills, and abilities that are lacking in the current workforce.

102. What can managers do to improve the effectiveness of external recruitment?

ANSWER: There are several things that managers can do to maximize the probability of successful external recruiting. First, managers may calculate yield ratios to help indicate which recruitment sources are most effective at producing qualified job candidates. Second, the cost of various recruiting procedures can be computed using a fairly simple set of calculations. Third, managers can take steps to ensure that their recruiters have a good understanding of the knowledge, skills, abilities, experiences, and other characteristics required for the job. In addition, it is important to remember that recruiters have an influence on an applicant’s job decision. Because recruiters can often enhance the perceived attractiveness of a job and an organization, they are often a main reason why applicants select one organization over another. Another way organizations may be able to increase the effectiveness of their recruitment efforts is to provide job applicants with a realistic job preview. A realistic job preview informs applicants about all aspects of the job, including both its desirable and undesirable facets.

103. Describe the five stages of career development, particularly stages one and two, and briefly describe what stages three through five have in common.

ANSWER: The first stage, preparation for work, encompasses the period prior to entering an organization, often extending until age 25. It is a period in which individuals must acquire the knowledge, skills, and abilities they will need to compete in the marketplace. Careful planning based on sound information should be the focus.

The second stage, organizational entry, typically from age 18 to 25, is devoted to soliciting job offers and selecting an appropriate job. During this period, one may also be involved in preparing for work.

The next three stages—early career, midcareer, and late career—entail fitting into a chosen occupation and organization, modifying goals, making choices, remaining productive, and finally, preparing for retirement.

Chapter 4 - Job Analysis and Work Design

1. What is a key expected benefit of reengineering and less bureaucracy in organizations?
 - a. improved access to government programs
 - b. accelerated decision-making
 - c. better access to markets
 - d. better leadership

ANSWER: b

2. What is a position?
 - a. a group of related activities and duties
 - b. the different duties and responsibilities performed by one employee
 - c. a statement of the knowledge, skills, and abilities required to perform work
 - d. a statement of the tasks, duties, and responsibilities associated with work

ANSWER: b

3. What is a job specification?
 - a. a statement of the knowledge, skills, and abilities required to perform the job
 - b. a statement of the tasks, duties, and responsibilities associated with the job
 - c. a group of related activities and duties
 - d. the different duties and responsibilities performed by one employee

ANSWER: a

4. Which of the following is an example of a job specification?
 - a. To be a grocery store cashier, you need to know how to work a cash register, know the rules of the store, and know basic math.
 - b. To be a grocery store cashier, you have to deal with the public and be able to stand on your feet for long hours.
 - c. A grocery store cashier assists customers in paying for their grocery items and answering questions about products.
 - d. A grocery store cashier is responsible for making sure items are bagged or tagged, and that all customers pay for their items.

ANSWER: a

Chapter 4 - Job Analysis and Work Design

5. In a newspaper ad, Company A stated that for the HRIS Supervisor's job, the following are required: an appropriate university degree, five years of corporate experience, and working knowledge of statistical analysis and software." What are these requirements an example of?
- a job requirement
 - a job description
 - a position
 - a job specification

ANSWER: d

6. "The IT specialist is responsible for the smooth running of all staff computers" is most likely an excerpt from which of the following?
- a job description
 - a job specification
 - a job analysis
 - a job position

ANSWER: a

7. Which of the following would be a useful approach for organizations to use in addressing discrepancies between the knowledge, skills, and abilities of the jobholder and the KSAs required for the job?
- rewards
 - corporate reorganization
 - cooperation
 - training

ANSWER: d

8. If the criteria used to evaluate employee performance are vague and not job related, what is the most likely result?
- The organization can be charged with unfair discrimination.
 - The organization can suffer productivity losses.
 - The organization can suffer from bad publicity.
 - The organization can suffer from lack of trust and commitment from employees.

ANSWER: a

Chapter 4 - Job Analysis and Work Design

9. There could be legal challenges if specific performance requirements of a job are not based on which of the following?
- best practices in industry
 - peer evaluations
 - interview data
 - valid job-related criteria

ANSWER: d

10. Why is job analysis considered the cornerstone of HRM?
- because the information collected serves many HRM functions
 - because it is done in a scientifically sound and valid way
 - because the information comes from job incumbents who know the job the best
 - because it is required by law

ANSWER: a

11. What is a key advantage of division of labour in organizations?
- improved efficiency
 - less need for managers
 - greater creativity
 - increased employee autonomy

ANSWER: a

12. What is the ultimate purpose of job analysis?
- to make sure that societal decisions are fair
 - to increase performance and productivity of the organization
 - to have a sense of what employees should be or are doing in their jobs
 - to organize work in a meaningful way

ANSWER: b

13. Which of the following is most correct when it comes to job analysis?
- Artificial inflation of job duties must always be double-checked against the NOC.
 - A job analyst must weigh information obtained from the NOC above incumbent data.
 - A job analyst must weigh manager information more heavily than job incumbent data.
 - More information about the job is always better.

ANSWER: d

Chapter 4 - Job Analysis and Work Design

14. What is a key objective of the National Occupational Classification compiled by the federal government?
- It helps to speed up audits by the government.
 - It allows for greater uniformity of job titles and job descriptions across the country.
 - It serves as the base for the Job Classification Guide.
 - It transforms career planning.

ANSWER: b

15. Which of the following is NOT a method to conduct job analysis?
- task inventory development
 - the critical incident method
 - the position analysis questionnaire
 - divisional job analysis

ANSWER: d

16. In doing its job analyses, ABC Company, interviews its accountants on the factors that contribute to their success as accountants in the firm. Which job analytic technique is being used by the company?
- competency-based analysis
 - task inventory analysis
 - critical incident method
 - the position analysis questionnaire

ANSWER: c

17. Sally is interviewing an employee, asking him to describe his job, how it is performed, what work is done, and what tools and equipment are used. What style of job analysis is Sally performing?
- the critical incidents style of job analysis
 - the task analysis style of job analysis
 - the PAQ style of job analysis
 - the occupation classification style of job analysis

ANSWER: a

18. Which of the following job analysis methods utilize “interviews”?
- critical incidents, PAQ, and competency-based analysis
 - critical incidents and competency based analysis
 - task analysis and competency-based analysis
 - PAQ, task analysis, and critical incidents

ANSWER: b

Chapter 4 - Job Analysis and Work Design

19. What do we call an analysis in which the emphasis is placed on characteristics of successful performers rather than standard duties?
- a. a person-based job analysis
 - b. a competency-based analysis
 - c. a performance-based job analysis
 - d. a team-based analysis

ANSWER: b

20. What is the most important difference between competency-based analysis and all other forms of job analysis discussed in the textbook?
- a. Competency-based analysis is better at keeping pace with the quickly changing nature of work.
 - b. Competency-based analysis relies solely on information obtained from job incumbents.
 - c. Competency-based analysis focuses on how the job is currently done.
 - d. Competency-based analysis requires a very high degree of training on the part of the analyst.

ANSWER: a

21. What can result from generically written job descriptions?
- a. restructuring
 - b. openness to change
 - c. role ambiguity
 - d. role precision

ANSWER: c

22. Kirk is learning a new job by watching his co-workers and asking questions. He notices that some of his co-workers stress the importance of certain tasks, while others don't do these tasks at all. This has left Kirk somewhat stressed by what he should and should not be doing in his new role. What does Kirk need?
- a. a job description
 - b. a job analysis
 - c. information from the NOC
 - d. job specifications

ANSWER: a

Chapter 4 - Job Analysis and Work Design

23. As part of its restructuring efforts, XYZ Company is redesigning its jobs. What should be a basic consideration in this process?
- the impact on the environment
 - the costs to restructure
 - the costs to restructure and the benefits of redesigned jobs
 - the organizational objectives the job was created to fulfill

ANSWER: d

24. What is the main difference between job analysis and job design?
- Job analysis looks at jobs as they currently are; job design is about reorganizing work.
 - Job analysis is required to ensure that HR functions are based on sound and valid data; job design is focused on compensation and the financial worth of the work.
 - Job analysis is a process; job design is a function.
 - Job analysis is the study of jobs as currently performed; job design is concerned with changing job structures to improve efficiency.

ANSWER: d

25. In which situation would a job design be recommended?
- New technology has drastically changed the way that work is done in a manufacturing plant shop floor and employees are finding there is a lot more spare time.
 - Due to a recent change in upper management and benefit policies, several hundred highly skilled employees have recently left the organization and moved to a competitor.
 - The culture of the organization is deemed by an external consultant to be “stagnant” and in need of a change.
 - Members of the organization are trying to form a union.

ANSWER: a

26. In discussing how jobs can be enriched, Frederick Herzberg suggested several factors that can help in this process. Which of the following is NOT one such factor?
- increasing the level of difficulty of the job
 - allowing employees to retain more authority over work outcomes
 - adding new tasks to the job that require employee growth
 - increasing the pay for work done

ANSWER: d

Chapter 4 - Job Analysis and Work Design

27. An owner of a mall-based retail shop chain has asked front-line sales associates to attend a twice-yearly all-day meeting where they share ideas about possible new products, innovations, and ideas about improving work flow. What is the owner most likely attempting to implement?
- a. job involvement
 - b. job enrichment
 - c. brainstorming
 - d. a culture audit

ANSWER: b

28. Which of the following is an accurate description of the five core job dimensions of Hackman and Oldham's job characteristics model?
- a. skill variety, task identity, task significance, autonomy, and feedback
 - b. feedback, task identity, job identity, skill variety, and autonomy
 - c. autonomy, feedback, job security, task identity, and skill variety
 - d. skill variety, task identity, job security, autonomy, and feedback

ANSWER: a

29. What factors does Herzberg describe as key to enriching jobs?
- a. pay, promotion, pension, purpose, and perks
 - b. achievement, recognition, growth, responsibility, and performance of the whole job
 - c. safety needs, social needs, self-esteem needs, and self-actualization
 - d. skill variety, task identity, task significance, autonomy, and feedback

ANSWER: b

30. According to the work of Herzberg, which of the following methods can managers use to enrich the jobs of employees?
- a. improving pay
 - b. increasing benefits
 - c. adding more responsibility to jobs
 - d. improving leadership

ANSWER: c

Chapter 4 - Job Analysis and Work Design

31. ABC Inc. wants to enrich its jobs vertically. Which of the following can this be accomplished through?
- forming teams that have greater authority for self-management
 - providing performance results to employees
 - assigning less work to each employee
 - increasing salaries and benefits for employees

ANSWER: a

32. According to the job characteristics model, what three psychological states of a jobholder result in motivated, satisfied, and productive employees?
- meaningfulness of work, responsibility for completion of a whole identifiable piece of work, and knowledge of work results
 - meaningfulness of work, task significance, and autonomy
 - meaningfulness of work, responsibility for outcomes, and fair compensation
 - meaningfulness of work, responsibility for outcomes, and knowledge of work results

ANSWER: d

33. Behavioural-based job design studies focus on two key simultaneous outcomes. What are these?
- organizational efficiency and employee job satisfaction
 - organizational efficiency and effectiveness
 - organizational restructuring and job design
 - employee autonomy and job design

ANSWER: a

34. What is often cited as the most important factor contributing to the success of employee involvement groups?
- team pay and benefits
 - appropriate job design
 - organizational design
 - comprehensive training of employees

ANSWER: d

35. Employee empowerment is a technique of involving employees in their work through which of the following processes?
- development
 - inclusion
 - team building
 - banding

ANSWER: b

Chapter 4 - Job Analysis and Work Design

36. Which organizational situation is most likely to result in employees who feel most empowered?
- a. The employees are allowed to set their own work schedules so they can have better work–life balance.
 - b. The employees are allowed to spend a few minutes every day coming up with creative ideas for the suggestion box.
 - c. The employees have access to sensitive information so they can make more informed decisions about their work.
 - d. The employees have a large training budget and they are allowed to spend their training dollars on courses they choose and as they see fit.

ANSWER: c

37. What is the concept called when “the interaction and outcome of team members are greater than the sum of their individual efforts”?
- a. optimal performance
 - b. positive culture
 - c. energy
 - d. synergy

ANSWER: d

38. What two characteristics do group/team techniques have in common?
- a. enhancing collaboration and increasing synergy
 - b. enhancing collaboration and improving morale
 - c. improving morale and increasing synergy
 - d. enhancing communication and increasing synergy

ANSWER: a

39. Which of the following is an example of an employee involvement group?
- a. a group of employees who come together once a year to brainstorm new workflow ideas
 - b. a group of employees who meet after work hours to discuss their interest in hiking and other outdoor activities
 - c. a group of employees who are allowed to take specialized training courses in statistical analysis
 - d. a group of employees who meet weekly to brainstorm a sequel to a popular product line

ANSWER: d

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40. What are the four phases in team development?
- a. forming, storming, norming, and performing
 - b. forming, norming, performing and dying
 - c. forming, storming, norming and dying
 - d. forming, norming, storming and dying

ANSWER: a

41. Which of the following is NOT a synergistic team characteristic?
- a. support
 - b. consensus
 - c. acceptance
 - d. agreement

ANSWER: d

42. XYZ Corporation recently formed a team comprising a mix of specialists tasked with the specific objective of developing a new product. What is this type of team called?
- a. a self-directed team
 - b. a specialist team
 - c. a cross-functional team
 - d. a process improvement team

ANSWER: c

43. Team synergy is heightened when team members engage in behaviours such as support, active listening, consensus decision making, and which of the following?
- a. disagreement
 - b. prioritizing options
 - c. charismatic leadership
 - d. unanimity

ANSWER: a

Chapter 4 - Job Analysis and Work Design

44. Company A is planning to set up a “virtual team” for a project. Which of the following is the best advice for this team to be successful?
- a. Team members should be selected based on certain personal characteristics such as a collaborative mindset.
 - b. All team members should understand advanced computer and telecommunications technology so that breakdowns in communication do not occur frequently.
 - c. Team members should all have Skype accounts.
 - d. Team members should NOT meet in person.

ANSWER: a

45. What is the typical method used by organizations to design compressed work weeks?
- a. giving employees the work to do at home
 - b. giving a free day off
 - c. increasing the number of hours worked per day
 - d. giving a week off every month

ANSWER: c

46. Which of the following is a benefit of job sharing?
- a. reduced employee layoffs
 - b. less turnover
 - c. less absenteeism
 - d. less conflict

ANSWER: a

47. What do we call the type of work schedule in which employees can adjust their daily starting and quitting times, provided that they work a certain number of hours per day or week?
- a. a compressed workweek
 - b. a shorter workweek
 - c. a flextime arrangement
 - d. an adaptable schedule

ANSWER: c

Chapter 4 - Job Analysis and Work Design

48. Which of the following is a downside of job sharing?

- a. increased compensation
- b. less innovation
- c. potential distrust among employees
- d. reduced employee appraisals

ANSWER: c

49. What is an important drawback of allowing employees to telecommute?

- a. difficulty in developing appropriate performance standards
- b. less work-life balance
- c. increased work conflict
- d. increased absenteeism

ANSWER: a

50. Which of the following is most likely to result in a successful telecommuting situation?

- a. The telecommuters have to check in frequently throughout the day to let their managers know exactly what they are working on and how it is going.
- b. The managers who are trained in formalized telecommuting procedures make random calls to the telecommuters at home to ensure all is going well and work is getting done.
- c. The telecommuters are expected to attend regular on-site meetings and are trained in technical aspects of telecommuting.
- d. Telecommuting is only allowed when the work at hand does not involve interaction of any kind.

ANSWER: c

Chapter 4 - Job Analysis and Work Design

Scenario 4.1

Mike Brassington is the CEO of Canada Steel, a firm that produces steel products for a global market. To improve on one of its products that has received some criticisms on its quality, Canada Steel wants to put together a team that will involve different people in the organization, across different departments, so as to utilize their skills in a manner that would be more productive than if they worked separately. Mike has two ideas on how to design these teams. First, he can put together a group of experienced people from different departments (e.g., marketing, engineering, etc.) to solve the problem (Team 1). Second, he can allow interested employees to have online discussions voluntarily (Team 2). He also has to decide on how to measure the success of the team's efforts.

51. Refer to Scenario 4.1. Which of the following occurs when the interaction and outcome of team members is greater than the sum of their individual parts?
- a. job sharing
 - b. cooperation
 - c. synergy
 - d. team enrichment

ANSWER: c

52. Refer to Scenario 4.1. What is the term for the first type of team Mike is considering, where he will put together different people from different units (Team 1)?
- a. a self-directed team
 - b. a process improvement team
 - c. a virtual team
 - d. a quality improvement team

ANSWER: b

53. Refer to Scenario 4.1. According to the textbook, what is a potential challenge for Team 1?
- a. different cultures among group members
 - b. leadership support
 - c. Web/Internet support
 - d. determining compensation for team accomplishments

ANSWER: d

54. Refer to Scenario 4.1. What does research demonstrate as key to ensuring the success of the team?
- a. ensuring a common workplace "language" for team members
 - b. establishing ground rules to guide the team's work
 - c. ensuring cultural cohesion among team members
 - d. establishing a fair pay system

ANSWER: a

Chapter 4 - Job Analysis and Work Design

55. Refer to Scenario 4.1. Which of the following is NOT a way for Mike to measure the success of the team?
- a. through the level of cooperation and trust of team members
 - b. through whether the goals of the team are achieved
 - c. through the pay increases of the team
 - d. through the way in which conflicts are resolved

ANSWER: c

Scenario 4.2

CanBank is a new financial institution with a workforce that values work–life balance. The CEO, Aren Ami, wants to experiment with different work schedules so as to address the needs of the employees. He is considering several options: a four-day, 40-hour workweek; allowing employees to choose start and end times for the workday provided they work a certain number of hours per week; allowing two or more employees to perform a job normally done by one person; and allowing some employees to do work from home that is normally done in the office. The CEO knows that there are pros and cons of each option that he has to weigh.

56. Refer to Scenario 4.2. What is the term for the option where employees choose start and end times for their workdays provided they work a specified number of hours in the week?
- a. job sharing
 - b. telecommuting
 - c. shortened workweek
 - d. flextime

ANSWER: d

57. Refer to Scenario 4.2. What is the term for the option where employees work four-day, 40-hour workweeks?
- a. flextime
 - b. telecommuting
 - c. job sharing
 - d. compressed workweek

ANSWER: d

58. Refer to Scenario 4.2. Which of the following is NOT a reason cited for flextime?
- a. improving organizational culture
 - b. meeting the challenges of age diversity
 - c. improving customer service by extending operating hours
 - d. improving quality of employees' work

ANSWER: a

Chapter 4 - Job Analysis and Work Design

59. A job consists of different duties and responsibilities performed by one person.
- a. True
 - b. False

ANSWER: False

60. A statement of the different duties, tasks, and responsibilities of a job is known as a job description.
- a. True
 - b. False

ANSWER: True

61. An example of a job-related specification might be to require three to five years' experience for a job as senior compensation analyst.
- a. True
 - b. False

ANSWER: True

62. Discrepancies between knowledge, skills, and abilities (KSAs) and job requirements provide clues to training needs.
- a. True
 - b. False

ANSWER: True

63. Job analysis is the process of obtaining information about jobs by determining what the duties, tasks, or activities of those jobs are.
- a. True
 - b. False

ANSWER: True

64. Ultimately, the purpose of job analysis is to value a job and establish its pay rate.
- a. True
 - b. False

ANSWER: False

65. Job analysis is now considered outdated because it can't keep up with the current state of change in today's fast-paced work world.
- a. True
 - b. False

ANSWER: False

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66. Job analysis is an important step toward ensuring an organization's HR practices are valid and job-related.
- a. True
 - b. False

ANSWER: True

67. To promote uniformity across organizations, the National Occupational Classification should be used as the sole source for classifying jobs.
- a. True
 - b. False

ANSWER: False

68. The critical incident method focuses on employee behaviours critical to job success.
- a. True
 - b. False

ANSWER: True

69. The critical incidents method of job analysis is based on interviewing the job incumbent/employee.
- a. True
 - b. False

ANSWER: True

70. Common methods of analyzing jobs include interviews, questionnaires, observation, and diaries.
- a. True
 - b. False

ANSWER: True

71. There are many methods of job analysis and many different ways of compiling the data, but all of the methods rely on some form of employee/job incumbent interview.
- a. True
 - b. False

ANSWER: False

72. Employee interviewing is the most accurate method of job analysis because the employee is least likely to exaggerate essential job functions.
- a. True
 - b. False

ANSWER: False

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73. The competency-based approach to job analysis focuses on standard job duties, tasks, and the like.
- a. True
 - b. False

ANSWER: False

74. Human resource information systems have limited potential to impact the job analysis process.
- a. True
 - b. False

ANSWER: False

75. The job title is of psychological importance as well as descriptive.
- a. True
 - b. False

ANSWER: True

76. The standard format for job descriptions is contained in the *Dictionary of Occupational Titles*.
- a. True
 - b. False

ANSWER: False

77. Relying on generic job descriptions tends to reduce role ambiguity.
- a. True
 - b. False

ANSWER: False

78. Most job descriptions include a job title, a job identification section, and a job duties section.
- a. True
 - b. False

ANSWER: True

79. Job specifications usually cover two areas: (1) the skill required to perform the job and (2) the level of autonomy inherent in the position.
- a. True
 - b. False

ANSWER: False

Chapter 4 - Job Analysis and Work Design

80. A problem with job descriptions is that they tend to broaden the scope of activities performed by a jobholder.
- a. True
 - b. False

ANSWER: False

81. When writing a job description, it is essential to use statements that are terse, direct, and simply worded.
- a. True
 - b. False

ANSWER: True

82. Job specifications describe the duties, tasks, and responsibilities performed on the job and therefore play a key role in performance appraisal.
- a. True
 - b. False

ANSWER: False

83. Job design is concerned with changing, modifying, and enriching jobs in order to capture the talents of employees while improving performance.
- a. True
 - b. False

ANSWER: True

84. Job design should facilitate the achievement of organizational goals while recognizing the capabilities and needs of those who are to perform it.
- a. True
 - b. False

ANSWER: True

85. Job design considers organizational objectives, industrial engineering considerations, ergonomic concerns, and job descriptions.
- a. True
 - b. False

ANSWER: False

86. Job design is concerned with changing, modifying, and enriching jobs in order to capture the talents of employees while improving performance.
- a. True
 - b. False

ANSWER: True

Chapter 4 - Job Analysis and Work Design

87. Job enrichment is a way of increasing employee empowerment.

- a. True
- b. False

ANSWER: True

88. Job enrichment can improve employee performance in cases of dissatisfaction with pay and benefits.

- a. True
- b. False

ANSWER: False

89. Job enrichment incorporates the behavioural needs of employees into their jobs.

- a. True
- b. False

ANSWER: True

90. The real advantage of job enrichment is that it applies to all employees.

- a. True
- b. False

ANSWER: False

91. The job characteristics model suggests that the motivated, satisfied, and productive employee is one who (1) experiences meaningful work; (2) experiences responsibility for work outcomes; and (3) has knowledge of the results of his or her work activities.

- a. True
- b. False

ANSWER: True

92. In the job characteristics model, skill variety refers to the amount of freedom held by the employee to schedule work and perform activities.

- a. True
- b. False

ANSWER: False

93. As a manager, if you designed a job so that an employee could perform the job from beginning to end according to the job characteristics model, you would be creating task identity.

- a. True
- b. False

ANSWER: True

Chapter 4 - Job Analysis and Work Design

94. Adding more meaningful tasks to an employee's job in an effort to make it more rewarding is an example of job enrichment.

- a. True
- b. False

ANSWER: True

95. Empowerment encourages employees to become innovators and managers of their own work.

- a. True
- b. False

ANSWER: True

96. Employee empowerment grows in an organizational culture that promotes satisfaction, support, and recognition.

- a. True
- b. False

ANSWER: True

97. Industrial engineering is a technique of job design that is concerned with efficiency and behavioural considerations of a job.

- a. True
- b. False

ANSWER: False

98. All group-based work techniques have two things in common: enhancing communication and increasing synergy.

- a. True
- b. False

ANSWER: False

99. Employee involvement groups (EIs) are groups of highly trained individuals using consensus decision making to perform independent job tasks and solve problems.

- a. True
- b. False

ANSWER: False

100. Inherent in the concept of work teams is that employees, not managers, are in the best position to contribute to work performance.

- a. True
- b. False

ANSWER: True

Chapter 4 - Job Analysis and Work Design

101. At Eastman Kodak Company, teams are responsible for manufacturing entire product lines. This type of team is referred to as a “task force.”

- a. True
- b. False

ANSWER: False

102. Adjustments in work schedules are considered to be a part of job analysis and job design.

- a. True
- b. False

ANSWER: False

103. Managers cite one of the reasons for implementing compressed workweek schedules as that it can improve employee job satisfaction and morale.

- a. True
- b. False

ANSWER: True

104. Employees participate in flextime when they do entirely different jobs on a rotating schedule.

- a. True
- b. False

ANSWER: False

105. Job sharing is effective for employees who desire to phase in to retirement.

- a. True
- b. False

ANSWER: True

106. Telecommuting is the use of personal computers, networks, and other communications technology to do work in the home that is traditionally done in the workplace.

- a. True
- b. False

ANSWER: True

Chapter 4 - Job Analysis and Work Design

107. What is the role of job analysis in HRM, and how does it relate to other HRM functions?

ANSWER: Job analysis involves a systematic process of obtaining information about jobs to determine the duties, tasks, and activities involved in the job. This information is useful in a variety of HRM functions including recruitment, selection, training, development, performance appraisal, compensation, and labour relations.

Job analysis permits HR managers to identify job specifications or qualifications required by the job. This information enables recruiters to target sources that are most likely to generate qualified candidates. It also allows HR managers to design appropriate selection programs.

Information provided by job analysis may identify discrepancies between the knowledge, skills, and abilities of the jobholder and the requirements contained in the specifications for the job. This can provide clues about training and development needs.

Job analysis reveals the requirements of a job and can serve as a basis for developing criteria to be used in performance evaluation and determining the relative worth of a job. Job descriptions generated by job analysis also allow the organization to identify those jobs subject to union jurisdiction.

108. What factors should be considered in designing a job?

ANSWER: Job design is concerned with structuring jobs to improve organizational efficiency and employee job satisfaction. Considerations should include (1) the organizational objectives the job was created to fulfill; (2) industrial engineering considerations, including ways to make the job technologically efficient; (3) ergonomic concerns, including workers' physical and mental capabilities; and (4) employee contributions reflected in the participation of employees in making job improvements or enhanced operational decisions.

109. Discuss the job characteristics that motivate employees.

ANSWER: The job characteristics model proposes that three psychological states—(1) meaningfulness of work, (2) responsibility for work outcomes, and (3) knowledge of results—result in improved performance and motivation of workers. The five characteristics that produce these states are:

- Skill Variety: The degree to which a job entails a variety of activities and the use of different skills or talents by the jobholder.
- Task Identity: The degree to which the job requires the completion of a whole, identifiable piece of work.
- Task Significance: The degree to which the job has an impact on the lives or work of other people.
- Autonomy: The degree to which the job provides freedom, independence, and discretion to the jobholder in scheduling and completing the work.
- Feedback: the degree to which the jobholder is given clear information about the effectiveness of his or her performance.

Chapter 4 - Job Analysis and Work Design

110. What are the advantages and disadvantages of flextime or flexible working hours?

ANSWER: Advantages of flextime or flexible working hours include:

- Employers reduce some of the traditional causes of tardiness and absenteeism.
- Employees gain greater job satisfaction through the ability to adjust their work to accommodate their lifestyle.
- Employees can schedule their working hours for the time of day they are most productive.
- Traffic congestion may be reduced by variations in arrival and departure times.
- Flexible schedules can be helpful in recruiting and retaining personnel.
- They are invaluable to organizations that wish to improve service to customers or clients by extending operating hours.

Disadvantages of flextime or flexible working hours include:

- Flexible schedules are not suited to some jobs, such as those where specific workstations must be staffed at all times.
- They can create problems for managers in communicating with and instructing employees.
- They can force managers to extend their workweek to work directly with employees.

Chapter 3 - Equity and Diversity in Human Resources Management

1. Which of the following is the fastest growing demographic group in Canada?

- a. visible minorities
- b. Aboriginals
- c. women
- d. persons with disabilities

ANSWER: a

2. Organization Z is about to undertake an organization-wide process of ensuring equitable representation in terms of designated groups, *including* an analysis and redressing of past discriminations. What is Organization Z undertaking?

- a. affirmative action policy implementation
- b. employment equity policy implementation
- c. pay equity policy implementation
- d. an employment systems review

ANSWER: b

3. Which of the following is NOT a characteristic of labour force statistics in Canada today?

- a. increased participations rates for women
- b. changing immigration patterns
- c. an aging population
- d. increasing proportion of Aboriginals

ANSWER: d

4. A large accounting firm has 30 percent female UFE-certified accountants on staff. Women make up approximately 51 percent of the population and UFE-certified women make up approximately 15 percent of the labour force. Based on this information, what is the best description of the situation for women at this large accounting firm?

- a. They are concentrated.
- b. They are underrepresented.
- c. They are underutilized.
- d. They are discriminated against.

ANSWER: a

5. Which of the following compounds the employment barriers facing Aboriginals in Canada?

- a. negative past employment experience
- b. illiteracy
- c. reluctance to leave the area in which they grew up
- d. language and culture

ANSWER: d

Chapter 3 - Equity and Diversity in Human Resources Management

6. In a legal sense, what are two key concepts of justice?
- courts and tribunals
 - transparency and the glass ceiling
 - ethics and fairness
 - fair and foul play

ANSWER: c

7. According to the textbook, which group is most likely to view the *Canadian Charter of Rights and Freedoms* as a disappointment?
- unions
 - women
 - employers
 - religious groups

ANSWER: a

8. In Canada, what is a key characteristic of the occupations where women tend to be concentrated?
- They are occupations in advanced technologies and education.
 - There is a heavy concentration of immigrants.
 - They are occupations that are increasingly becoming extinct.
 - They are occupations with lower pay compared to men.

ANSWER: d

9. Which legal defence can a religious organization use if it insists on hiring a member from its own faith?
- adverse effect
 - adverse impact
 - bona fide occupation qualification
 - reasonable accommodation

ANSWER: c

10. ABC Inc. is experiencing problems with recruiting and retaining Aboriginals. Based on the research on cultural values exemplified by Aboriginals, which of the following managerial practices may help with its problems?
- increased executive pay
 - collective decision making
 - counselling
 - individual merit-based pay

ANSWER: b

Chapter 3 - Equity and Diversity in Human Resources Management

11. “Phil’s Antique Superstore” is hiring ten new customer service agents. All three of Phil’s stores are housed in historic landmark buildings that are “heritage” sites and do not have wheelchair ramp access. Phil, the owner, has indicated that city bylaws will not allow him to renovate and add a wheelchair ramp to his buildings because of their heritage status. This fact makes the ability to “go upstairs” which of the following in relation to working at Phil’s?
- an undue hardship
 - a reasonable accommodation
 - a bona fide occupational qualification
 - a system barrier

ANSWER: c

12. Which of the following is a possible outcome of a human rights complaint filed by an individual?
- A settlement may be arranged, even if the complaint is unsubstantiated.
 - The Equal Rights Compliance Agency (ERCA) may become involved.
 - It is deemed as trivial by the CHRC and refused.
 - It can be waitlisted for years depending on how busy the CHRC is.

ANSWER: c

13. Which statement best describes the enforcement of provincial human rights laws?
- Provincial laws are enforced in a similar manner except there is no court prosecution permitted.
 - Provincially regulated employers tend to be larger and more sophisticated.
 - HR professionals in provincially regulated firms tend to be very knowledgeable about human rights legislation.
 - Independent boards of inquiry have similar powers as a federal tribunal.

ANSWER: d

14. How is the *Canadian Human Rights Act* typically enforced?
- by specially designated police officers
 - through proactive measures by the RCMP
 - through complaints by individuals
 - by human rights organizations

ANSWER: c

15. What is the most serious possible occurrence if an HR professional is dishonest in a human rights investigation?
- The organization could be fined up to \$50 000.
 - The HR professional could be imprisoned.
 - The HRP would remove certification for a year.
 - The HR professional would be denied employment in the future.

ANSWER: b

Chapter 3 - Equity and Diversity in Human Resources Management

16. Green Grass Hospital pays its hallway painters/technicians nearly twice the hourly rate that it pays the nurses. Under which of the following circumstances is this fact likely to cause further investigation in a pay equity program implementation?
- if the nurses have more seniority
 - if the painters have more training
 - if the nurses are predominantly women and the painters are predominantly men
 - if the painters' union becomes involved in the process

ANSWER: c

17. Employers that pay men and women a different salary for performing jobs of comparable value violate the *Pay Equity Act* (Ontario) only if the differences are based on which of the following?
- gender
 - merit
 - seniority
 - incentive plans

ANSWER: a

18. What is the difference between pay *equity* and pay *equality*?
- Equity is equal pay for work of comparable worth; equality is equal pay for equal work.
 - Equality is equal pay for work of comparable worth; equity is equal pay for equal work.
 - Equity is about fair pay for individual women employees; pay equality is required of all federally regulated employers.
 - Equality is about fair pay for entire occupations; equity is required by law in every jurisdiction in Canada.

ANSWER: a

19. What is a recent change in the Federal Contractors Program?
- Refugee status was added as a new designated group.
 - The contract threshold was increased to \$1 million.
 - It was discontinued.
 - The provinces are now required to administer it.

ANSWER: b

20. Which of the following requires large firms bidding on federal government contracts worth \$1 million or more to have an employment equity plan?
- the Canada Labour Code
 - the Federal Contractors Program
 - the Abella Commission
 - the Pay Equity Act

ANSWER: b

Chapter 3 - Equity and Diversity in Human Resources Management

21. What is the first step in the employment equity implementation process?
- conduct a strategic discrimination gap analysis
 - establishment of a workplan
 - employment systems review
 - senior management commitment

ANSWER: d

22. Which of the following is NOT normally done in implementing employment equity in organizations?
- collecting/analyzing data
 - establishing a workplan
 - ensuring pay equity
 - getting senior management commitment

ANSWER: c

23. Which of the following is the best example of how an organization's leadership can demonstrate its commitment to an employment equity plan?
- allowing employees to fill out the employment equity survey on company time
 - offering a full explanation of the employment equity policy to top managers
 - offering a guarantee of confidentiality
 - publicly describing the organization's commitment to employment equity

ANSWER: d

24. Which of the following people would be the best choice for an organizational employment equity representative?
- Bill has belonged to the organization for 15 years, beginning on the shop floor, and is now a manager. He is well known and respected within the organization. Bill's sister, who lives with him, is disabled and uses a wheelchair.
 - Sandeep is a member of a designated group, is new to the organization, and works in management. He is an active member of his religious group.
 - Candy is a member of designated group and has been with the organization for 25 years as a telephone receptionist. She knows everyone and is very popular due to her friendliness and great memory.
 - Antonia, who has been with the organization for 15 years, is very interested in becoming the employment equity representative because she is very organized and wants an opportunity to demonstrate this to management so she can be considered for a promotion.

ANSWER: a

Chapter 3 - Equity and Diversity in Human Resources Management

25. Which term refers to a snapshot of the organization that includes where members of designated groups are employed, their salaries, and their status?
- a. stock data
 - b. HR spreadsheet
 - c. flow data
 - d. employer profile

ANSWER: a

26. What is another term used for unintentional discrimination by organizations?
- a. overt discrimination
 - b. job-related discrimination
 - c. systemic discrimination
 - d. personal discrimination

ANSWER: c

27. Which of the following is done during the data collection phase for employment equity purposes?
- a. voluntary self-identification
 - b. mandatory self-identification
 - c. surveys of similar employers
 - d. surveys of supervisors

ANSWER: a

28. A key goal of employment equity is to ensure that an organization has a representative workforce. What does “representative” mean in this context?
- a. when there are equal numbers of all groups represented in all jobs
 - b. when there are equal numbers of the four designated groups in the organization
 - c. when males and females are equally represented
 - d. when the organization’s workforce reflects the demographic composition of the external workforce

ANSWER: d

29. Phil’s Antique Superstore is hiring ten new customer service agents. All three of Phil’s stores are housed in historic landmark buildings that are “heritage” sites and do not have wheelchair ramp access. What is this an example of?
- a. a systemic barrier
 - b. the need for special measures
 - c. lack of reasonable accommodation
 - d. the duty to accommodate

ANSWER: a

Chapter 3 - Equity and Diversity in Human Resources Management

30. Which of the following recruiting methods is very susceptible to creating systemic discrimination?
- a. word-of-mouth
 - b. online ads
 - c. ads in widely circulated newspapers
 - d. ads in community newspapers

ANSWER: a

31. Implementing a flexible work schedule is an example of which of the following?
- a. reasonable accommodation
 - b. a special measure
 - c. an employment equity goal
 - d. a workplan

ANSWER: a

32. Which organizational situation best represents the principle of the duty to accommodate?
- a. renovating so that the building has wheelchair access, even if it is through a rear-entrance loading dock
 - b. equipping washrooms with lower mirrors and faucets, and wider doors
 - c. having regular employee surveys for disabled employees to ensure their needs are met
 - d. following the uniform guidelines for accommodation

ANSWER: b

33. When is an organization's workforce "representative"?
- a. when it reflects an improvement from the previous year's results
 - b. when numerical goals have been established
 - c. when it reflects the demographic composition of the external workforce
 - d. when the process used to hire is similar across all units

ANSWER: c

34. What is the first step for the establishment of a workplan for the development of an employment equity program?
- a. doing a job analysis
 - b. examining the workforce analysis
 - c. developing a strategic plan
 - d. setting numerical goals

ANSWER: b

Chapter 3 - Equity and Diversity in Human Resources Management

35. Ross Metals Inc. is claiming that it would cost the organization more than half its revenues to build a ramp to accommodate one of its employees with a disability. What is likely the argument Ross Metals Inc. is making to seek exemption from the duty to accommodate?
- a. undue hardship to the employer
 - b. going out of business
 - c. incompatibility with the law
 - d. sale of business

ANSWER: a

36. Once an employment equity program has been implemented, what is the most important thing to do?
- a. evaluate and monitor it closely
 - b. keep up to date on new developments and laws in employment equity
 - c. inform the CHRA of progress
 - d. limit revisions to the program to one per year

ANSWER: a

37. What are two sources of the employer's duty to prevent sexual harassment?
- a. human rights legislation and employment standards legislation
 - b. pay equity legislation and common law obligations
 - c. pay equity legislation and common law obligations
 - d. human rights legislation and common law obligations

ANSWER: d

38. Which of the following is true in terms of the relationship between employment equity and diversity management?
- a. The terms are used interchangeably as they are the same.
 - b. Diversity management goes beyond the four groups covered in employment equity.
 - c. The focus of diversity management is economic but for employment equity it is morality.
 - d. Diversity management is more restricted in terms of groups covered.

ANSWER: b

39. An effective sexual harassment policy includes all of the following EXCEPT which one?
- a. a comprehensive, well-publicized, organization-wide policy on sexual harassment
 - b. a formal complaint procedure that spells out the methods used to investigate charges
 - c. emphasis on follow-up and discipline for supported charges
 - d. a policy to dismiss any employee accused of sexual harassment

ANSWER: d

Chapter 3 - Equity and Diversity in Human Resources Management

40. The concepts of harassment in the workplace are being broadened to include which one of the following?
- a. psychological harassment such as bullying
 - b. compensation decisions
 - c. privacy
 - d. unequal pay for equal work

ANSWER: a

41. Organization Z is planning a formal process of examining its workforce in terms of religion, personality, lifestyle, and education. The company plans to gain a strategic advantage by harnessing the differences that exist within the organization. What is Organization Z planning to do?
- a. implement an employment equity program
 - b. implement a pay equity program
 - c. initiate a cultural assessment
 - d. employ diversity management

ANSWER: d

42. Proponents of diversity management contend that diversity-related initiatives can help Canada with enlarging its global markets. What is this argument an example of?
- a. reverse discrimination
 - b. the business case
 - c. reasonable accommodation
 - d. employment equity

ANSWER: b

43. Which of the following is an important reason behind implementing a diversity initiative?
- a. to help train organizational leaders
 - b. to avoid human rights complaints
 - c. to comply with Canadian legal requirements in relation to pay
 - d. to capitalize on emerging markets around the world

ANSWER: d

44. Which of the following is NOT true in relation to diversity management?
- a. It is broad and inclusive.
 - b. It has economic benefits.
 - c. It requires top leadership support for its success.
 - d. It is the same as employment equity.

ANSWER: d

Chapter 3 - Equity and Diversity in Human Resources Management

45. What are the primary business reasons for diversity management?
- acting in accordance with CHRA legislation; better utilization of talent; better teamwork; better marketplace understanding; better leadership
 - enhanced creativity; better synergy; better utilization of talent; better leadership; better teamwork
 - acting in accordance with CHRA legislation; better utilization of talent; better leadership; better work ethic; better marketplace understanding
 - better utilization of talent; better marketplace understanding; enhanced creativity; better leadership; better teamwork

ANSWER: d

Scenario 3.1

The Furniture Emporium Inc. is a Canadian-based international manufacturer and distributor of high-end furniture for offices and homes. Since 2010, it has been expanding into the emerging markets across the globe. The company's workforce is representative of the population. As well, women make up 58 percent of the company's workforce. However, while these groups are well represented in the organization, they are not seen in the same percentage as a part of the senior management structure of the organization. While Furniture Emporium hires for diversity, it does not use its employees' diverse skills and abilities to enhance its global potential, given the international nature of its business.

46. Refer to Scenario 3.1. Which of the following is a good way for Furniture Emporium to gain a strategic and competitive advantage, through its employees, in the international furniture market?
- hire for diversity
 - ensure pay equity is implemented
 - manage diversity effectively
 - promote employees from the designated groups

ANSWER: c

47. Refer to Scenario 3.1. Which of the following accurately represents diversity management if Furniture Emporium were to use it as a strategic tool?
- It is required by law in Canada.
 - It is a big part of managing human resources.
 - It is relatively simple and requires little time to implement.
 - It can be a complex and lengthy process to embark on.

ANSWER: d

Chapter 3 - Equity and Diversity in Human Resources Management

48. Refer to Scenario 3.1. Why can the ethnic groups help Furniture Emporium leverage its diverse workforce to gain competitive advantage?
- They are easier to work with.
 - They possess knowledge of foreign cultures and business practices.
 - They are time-oriented.
 - They are performance driven.

ANSWER: b

49. Refer to Scenario 3.1. By strategically incorporating a diverse workforce into all levels of the organization, what can Furniture Emporium benefit from?
- increased profitability and share prices
 - employee loyalty and retention
 - the spending power of these groups
 - the diverse educational background of these groups

ANSWER: c

50. Refer to Scenario 3.1. If Furniture Emporium wants to create an environment for success in the international furniture market by leveraging their employees, what do they need to fully understand?
- the need for a systematic approach to managing diversity
 - how to reward their executives for success
 - how to incorporate short-term diversity initiatives
 - employment equity legislation

ANSWER: a

Scenario 3.2

Metro Business is a growing firm located in Calgary, Alberta. The CEO, Niri Malo, has noticed that most of the recent applications for positions in the organization are self-identified persons from the four designated groups covered by employment equity legislation in Canada. Ms. Malo has heard of the benefits of a diversity workforce and wants to implement an employment equity plan. She understands, however, that there may be challenges in implementing it.

51. Refer to Scenario 3.2. What is one reason for Metro Business to have an employment equity plan?
- They would like access to the Federal Contractors Program.
 - It is required for all firms in Canada.
 - It will address pay equity problems.
 - It will prevent racism in the organization.

ANSWER: a

Chapter 3 - Equity and Diversity in Human Resources Management

52. Refer to Scenario 3.2. What is the first step in establishing the employment equity plan at Metro Business?
- collecting data on Metro's demographics
 - ensuring senior management commitment
 - ensuring reasonable accommodation
 - getting the government's approval

ANSWER: a

53. Refer to Scenario 3.2. Which of the following is NOT one of the four designated groups covered by the federal Employment Equity Act?
- Aboriginals
 - persons with disabilities
 - Women
 - war veterans

ANSWER: d

54. In Canada, the four designated groups that have not received equitable treatment in employment are women, Aboriginal people, people with disabilities, and visible minorities.
- True
 - False

ANSWER: True

55. Women are underrepresented as technicians and semi-skilled professionals.
- True
 - False

ANSWER: True

56. The four traditionally disadvantaged groups could be brought into the mainstream of Canada's labour force through employment equity.
- True
 - False

ANSWER: True

57. Recent statistics indicate that visible minorities are lacking in educational qualifications, which has resulted in their high unemployment rates.
- True
 - False

ANSWER: False

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58. Employment equity makes good business sense since it contributes to the bottom line.

- a. True
- b. False

ANSWER: True

59. Human rights legislation is the cornerstone of equity legislation.

- a. True
- b. False

ANSWER: True

60. The *Charter of Rights and Freedoms* guarantees the right to bargain collectively and to strike.

- a. True
- b. False

ANSWER: False

61. Federal law prohibits discrimination based on sexual orientation.

- a. True
- b. False

ANSWER: True

62. Every workplace in Canada is covered by human rights legislation.

- a. True
- b. False

ANSWER: True

63. The only difference between federal and provincial human rights laws is that the former cover federally regulated industries and the latter cover provincially regulated industries.

- a. True
- b. False

ANSWER: False

64. Prohibited grounds of discrimination in employment vary between provinces.

- a. True
- b. False

ANSWER: True

Chapter 3 - Equity and Diversity in Human Resources Management

65. Prohibited grounds of discrimination in employment include race, religion, sex, age, national or ethnic origin, disability, and marital status.

- a. True
- b. False

ANSWER: True

66. Employers are permitted to discriminate if there is a bona fide occupational qualification.

- a. True
- b. False

ANSWER: True

67. A religious organization is permitted to discriminate on the basis of religion.

- a. True
- b. False

ANSWER: True

68. An example of a BFOQ for age is the argument that a younger employee will project a better, more energetic image to the public.

- a. True
- b. False

ANSWER: False

69. The Canadian Human Rights Commission (CHRC) may choose to act on its own if it feels there are sufficient grounds for a finding of discrimination.

- a. True
- b. False

ANSWER: True

70. The Canadian Human Rights Commission (CHRC) must accept all complaints except those not filed within a prescribed period of time.

- a. True
- b. False

ANSWER: False

71. Once a complaint has been accepted by the Canadian Human Rights Commission (CHRC), an investigator is assigned the task of fact finding from both the complainant and the accused.

- a. True
- b. False

ANSWER: True

Chapter 3 - Equity and Diversity in Human Resources Management

72. As an HR professional, if you lie or are otherwise involved in obstructing an investigation by the Canadian Human Rights Commission, you can serve jail time.

- a. True
- b. False

ANSWER: True

73. Pay equity law makes it illegal for employers to discriminate against individuals on the basis of job content.

- a. True
- b. False

ANSWER: True

74. In 2002, women aged 15 and over who had employment income made 55 cents for every \$1 earned by their male counterparts.

- a. True
- b. False

ANSWER: False

75. Pay equity is based on the principles of equal pay for equal work and equal pay for work of comparable worth.

- a. True
- b. False

ANSWER: True

76. Implementation of pay equity is based on comparing the work of female and male employees doing the same job.

- a. True
- b. False

ANSWER: False

77. The federal pay equity legislation applies to all employees in Canada.

- a. True
- b. False

ANSWER: False

78. The Employment Equity Act of 1995 only affects employers under federal jurisdiction.

- a. True
- b. False

ANSWER: True

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79. The Employment Equity Act stipulates that employers and Crown corporations with 200 employees or more, who are regulated under the Canada Labour Code, must implement employment equity and report on results attained.

- a. True
- b. False

ANSWER: False

80. The concept of employment equity is rooted in the federal *Charter of Rights and Freedoms*, and in federal and provincial human rights codes.

- a. True
- b. False

ANSWER: True

81. Employment equity involves the identification and removal of systemic barriers to employment opportunities that adversely affect the four designated groups.

- a. True
- b. False

ANSWER: True

82. Employment equity involves the implementation of special measures and reasonable accommodation.

- a. True
- b. False

ANSWER: True

83. Federally regulated employers are required to conduct a workforce analysis to identify underrepresentation of members of designated groups.

- a. True
- b. False

ANSWER: True

84. Firms under provincial jurisdiction with 100 or more employees, wishing to bid for goods and services contracts with the federal government valued at \$200 000 or more, must implement an employment equity plan.

- a. True
- b. False

ANSWER: True

85. Under the *Canadian Human Rights Act*, the Canadian Human Rights Commission is authorized to prohibit discrimination against members of the designated groups in the establishment of federally regulated businesses.

- a. True
- b. False

ANSWER: True

Chapter 3 - Equity and Diversity in Human Resources Management

86. Employment equity involves changing the composition of an organization's workforce to better reflect the workforce.
- a. True
 - b. False

ANSWER: True

87. An employment equity program is a process requiring senior management commitment and involvement.
- a. True
 - b. False

ANSWER: True

88. Employers covered by the federal *Employment Equity Act* are required to consult with designated employees' representatives or, in a unionized setting, with bargaining agents.
- a. True
 - b. False

ANSWER: True

89. The labour movement in Canada has generally been opposed to the concept of employment equity.
- a. True
 - b. False

ANSWER: False

90. The first step in the implementation of employment equity is data collection and analysis.
- a. True
 - b. False

ANSWER: False

91. The development of an external workforce profile is an important tool in employment equity planning.
- a. True
 - b. False

ANSWER: False

92. Concentration occurs when the numbers of a protected class in a particular occupation or level are high relative to their numbers in the labour market.
- a. True
 - b. False

ANSWER: True

Chapter 3 - Equity and Diversity in Human Resources Management

93. An employer should try to eliminate unintentional discrimination, but is not legally accountable for such discrimination.
- a. True
 - b. False

ANSWER: False

94. Reasonable accommodation involves making changes to the workplace so that no individual is disadvantaged with respect to employment.
- a. True
 - b. False

ANSWER: True

95. Targeted recruitment aimed primarily at correcting employment inequities is an example of a special measure designed to accelerate the entry and promotion of members of designated groups discriminated against in the past.
- a. True
 - b. False

ANSWER: True

96. Reasonable accommodation benefits all employees.
- a. True
 - b. False

ANSWER: True

97. The overall goal for an organization with respect to employment equity is to achieve a workforce representative of the demographic composition of the external workforce.
- a. True
 - b. False

ANSWER: True

98. According to one study, only one of every ten Canadian women who suffer sexual harassment at work takes any formal action.
- a. True
 - b. False

ANSWER: False

99. An example of sexual harassment is having to listen to comments made by co-workers about their sexual conquests every Monday morning even when you have told them that their remarks make you extremely uncomfortable.
- a. True
 - b. False

ANSWER: True

Chapter 3 - Equity and Diversity in Human Resources Management

100. Employers are guilty of sexual harassment if they permit their customers to sexually harass their employees.
- a. True
 - b. False

ANSWER: True

101. The main cost of sexual harassment in the workplace is legal settlements
- a. True
 - b. False

ANSWER: False

102. The concept of harassment has been broadened to include bullying in at least one provincial jurisdiction.
- a. True
 - b. False

ANSWER: True

103. The optimization of an organization's multicultural workforce in order to reach business objectives is known as diversity management.
- a. True
 - b. False

ANSWER: True

104. Managing diversity is primarily a moral issue.
- a. True
 - b. False

ANSWER: False

105. Transforming an organizational culture into a culture that embraces diversity is relatively simple and can be done in a relatively short period of time.
- a. True
 - b. False

ANSWER: False

106. Diversity initiatives should be directly linked to the business objectives of top management.
- a. True
 - b. False

ANSWER: True

Chapter 3 - Equity and Diversity in Human Resources Management

107. Leadership is one of the key variables in a firm's ability to incorporate the value of diversity into its business strategy.
- a. True
 - b. False

ANSWER: True

108. Diversity initiatives are most successful when they are perceived to be human resources programs.
- a. True
 - b. False

ANSWER: False

109. A crucial element of any diversity management initiative is proper training across the organization.
- a. True
 - b. False

ANSWER: True

110. What are some of the disadvantages in employment faced by the four designated groups in Canada?

ANSWER: There are four designated groups in Canada that have not received equitable treatment in employment: (1) women, (2) Aboriginal peoples, (3) people with disabilities, and (4) visible minorities.

(1) Women tend to be concentrated in occupations that are accorded lower status and pay.

(2) Many Aboriginal workers are concentrated in low-paying, unstable employment.

(3) The unemployment rate for employable people with disabilities is much higher than the national unemployment rate. People with disabilities face attitudinal barriers, physical demands that are unrelated to actual job requirements, and inadequate access to technical- and human-support systems that would make productive employment possible.

(4) Visible minority groups vary in their labour force profiles; however, studies have shown that Latin Americans and Southeast Asians experience lower-than-average incomes, higher rates of unemployment, and reduced access to job interviews, even when they have the same qualifications as other candidates. Culturally biased aptitude tests, lack of recognition of foreign credentials, and excessively high language requirements pose systemic barriers for visible minority groups.

Chapter 3 - Equity and Diversity in Human Resources Management

111. What are the steps involved in filing and investigating a human rights complaint?

ANSWER: Individuals under federal jurisdiction have the right to file a complaint with the Canadian Human Rights Commission (CHRC) if they feel they have been discriminated against on any of the prohibited grounds. The complainant must first complete a written report describing the discriminatory action. A CHRC representative reviews the facts and determines if the claim is legitimate. Once a complaint has been accepted by the CHRC, an investigator is assigned to the case in order to gather more facts, from both the complainant and the accused. The investigator submits a report to the CHRC, recommending a finding of either substantiation or non-substantiation of the allegation. If the allegation is substantiated, a settlement may be arranged in the course of the investigation. If the parties are unable to reach agreement, a human rights tribunal consisting of up to three members may be appointed to further investigate the complaint. If the tribunal finds that a discriminatory practice did take place, it may order the person or organization responsible to compensate the victim. Any person who obstructs an investigation or a tribunal, or fails to comply with the terms of a settlement, can be fined and/or jailed.

Provincial human rights laws are enforced in a very similar manner. Individuals who feel they have been discriminated against on any of the prohibited grounds file a written complaint with the applicable human rights commission, which then investigates the claim. The majority of cases are resolved at the investigation stage. If agreement cannot be reached, the case is presented to the province's human rights commission. The members of the commission study the evidence and then submit a report to the minister in charge of administering the human rights legislation. The minister may appoint an independent board of inquiry, which has similar powers to a federal tribunal. Failure to comply with the remedies prescribed by the board of inquiry may result in prosecution in provincial court.

112. What can employers do to deter sexual harassment?

ANSWER: Employers must develop an effective sexual harassment policy if they wish to deter sexual harassment. The policy should be clear and comprehensive, publicizing to all organizational members that sexual harassment will not be tolerated. Supervisors and managers should be trained to understand human rights legislative requirements and their role in providing an environment free from harassment. A formal complaint procedure should be established that allows employees to report harassment occurrences without fear of retaliation. All charges should be investigated immediately and, if warranted, discipline should be administered. Cases should be followed up to ensure a satisfactory resolution of the problem.

Chapter 2 - Strategy and Human Resources Planning

1. What is the first step in the strategic planning process?
 - a. putting together the human resource management team
 - b. executing the human resource plan
 - c. establishing the mission, vision, and values of the organization
 - d. aligning the human resource plan and the strategic plan

ANSWER: c

2. Kramer Athletic Equipment is planning the future of the organization. In this process, the firm is making decisions such as whether to maintain its current path as industry leader in the running shoe business, or branch out to include casual footwear. In addition, the company is also discussing the various needs it will have for new staff if it does choose to go in a new direction. What is Kramer Athletic Equipment doing?
 - a. strategic planning
 - b. human resources planning
 - c. applying principles of strategic human resources management
 - d. planning both its business needs and its HR needs

ANSWER: c

3. Organization Z is planning its future. In the process, the firm is making decisions such as what type of market it wants to be the leader in and what path to take to achieve this goal. What is Organization Z doing?
 - a. strategic planning
 - b. human resources planning
 - c. performing a Markov analysis
 - d. applying principles of strategic human resources management

ANSWER: a

4. Eldorado Electronics wants to move from the stagnant calculator industry into the smart phone industry. To do so, however, it would have to make significant changes to its approach to product development in order to gain an edge in this competitive industry. What is the smartest next step for Eldorado Electronics?
 - a. It should consider how its strategic plans will affect its HR needs.
 - b. It should engage in human resources planning.
 - c. It should apply principles of strategic human resources management.
 - d. It should consider how its strategic plans will affect HR needs and also how its current HR status will affect its strategic plans.

ANSWER: d

5. HR planning requires HR managers to focus more on an alignment between HR plans and which of the following?
 - a. the organization's financial strategy
 - b. the organization's marketing position
 - c. the organization's strategic plan
 - d. the competitive environment

ANSWER: c

Chapter 2 - Strategy and Human Resources Planning

6. On the entrance to Mac Pencils' factory are the words "to provide the world with high-quality and dependable pencils." What is this an example of?
- strategic vision
 - mission
 - core values
 - core resources

ANSWER: b

7. Which of the following best captures the strategic intent of the organization?
- its mission
 - its vision
 - its core values
 - its strategic human resource plan

ANSWER: b

8. Which of the following best describes the core values of a company?
- They represent the alignment of the strategic plan with the human resource plan.
 - They are strong enduring beliefs and principles of the company.
 - They are the basic purpose of the organization.
 - They provide a perspective on where the company is headed.

ANSWER: b

9. During its strategic retreat, the top management team at IAMME Gold Corporation pondered on the question "What's the organization reason for being?" What was the team most likely focusing on?
- the firm's strategic vision
 - the firm's core values
 - the firm's mission
 - the firm's competitive position

ANSWER: c

10. As part of its strategic planning process, TJX Corporation is involved in a systematic, regular monitoring of major external forces influencing the organization. What is this process called?
- external forecasting
 - human resource planning
 - Markov analysis
 - environmental scanning

ANSWER: d

Chapter 2 - Strategy and Human Resources Planning

11. Which of the following is NOT generally considered a component of a firm's competitive environment?
- a. rival firms
 - b. new entrants
 - c. labour laws
 - d. suppliers

ANSWER: c

12. Which of the following deliberations on the competitive environment generally involves an active role by HR managers?
- a. an analysis of new entrants
 - b. an analysis of the supply and demand for labour
 - c. coordination with suppliers
 - d. minimizing the technical advantages of rival firms

ANSWER: b

13. What do we call integrated knowledge sets within an organization that distinguish it from its competitors and deliver value to customers?
- a. core capabilities
 - b. competitive advantage
 - c. human capital
 - d. organizational competencies

ANSWER: a

14. An organizations' core capabilities consist of three components. Which of the following is NOT one of them?
- a. processes
 - b. systems
 - c. people
 - d. cultural audit

ANSWER: d

15. What do we consider the firm's resources to be when they improve the efficiency or effectiveness of the company?
- a. difficult to imitate
 - b. valuable
 - c. organized
 - d. rare

ANSWER: b

Chapter 2 - Strategy and Human Resources Planning

16. Which statement best describes strategic knowledge workers?
- They have skills that are valuable but not unique.
 - They have firm-specific skills directly related to company strategy.
 - They have unique skills directly linked to the company's strategy.
 - As consultants, they have strategic skills.

ANSWER: c

17. Which statement best describes the skills of core employees?
- Their skills are not directly related to company strategy.
 - They have firm-specific skills directly related to company strategy.
 - They have skills that are valuable but not unique.
 - Their skills are available to all firms.

ANSWER: c

18. From an organization's perspective, what is an important shortcoming of having to rely on part-time employees?
- limited benefits
 - costs of continuous replacement
 - lack of training
 - no job security

ANSWER: b

19. As part of the strategic planning process, XYZ Inc. recently examined the attitudes and activities of the company's workforce. What was XYZ doing?
- an environmental scan
 - a cultural audit
 - a trend analysis
 - a demand forecast

ANSWER: b

20. Smith Frozen Foods performs a yearly employee survey to assess how its employees feel about safety on the job, the comfort of the working conditions, and their general level of satisfaction with their work, managers, and coworkers. What is Smith Frozen Foods most likely performing?
- a job satisfaction survey
 - an environmental analysis
 - a cultural audit
 - an engagement measure

ANSWER: c

Chapter 2 - Strategy and Human Resources Planning

21. What is values-based hiring?
- hiring employees whose values correspond to their corporate cultures
 - hiring employees based on good ethical values
 - hiring decisions that lead to new values being adopted by the company
 - hiring executives who then instill their values in the company

ANSWER: a

22. Which of the following best describes forecasting human resources needs?
- It is scientific and relatively error-free.
 - It is difficult and should only be done on rare occasions.
 - It should rely strictly on quantitative approaches, which utilize sophisticated analytical models.
 - It estimates the number and type of people that are needed to meet organizational objectives.

ANSWER: d

23. Which of the following should you take into account when forecasting demand?
- absenteeism
 - turnover
 - business cycles
 - labour mobility

ANSWER: c

24. Kappa Technology is a firm in the high-technology sector. It needs to hire individuals with very specific knowledge and abilities, and it needs to do so quickly. Which aspect of employee forecasting will be most important for this company?
- skills inventories
 - staffing tables
 - Markov analysis
 - succession planning

ANSWER: a

25. XYZ Corporation wants to track the percentage and actual number of employees who remain in each of the firm's job from one year to the next. Which of the following would XYZ Corporation benefit from?
- a replacement chart
 - a skills inventory
 - a Markov analysis
 - a succession plan

ANSWER: c

Chapter 2 - Strategy and Human Resources Planning

26. Manning Logistics laid off nine employees from data-entry positions in its finance division. Two weeks later, it hired 15 employees into data-entry positions in the inventory division. What mistake has the company committed?
- faulty cultural audit
 - not forecasting properly
 - faulty goal alignment
 - not analyzing the internal labour force

ANSWER: b

27. What is the difference between trend analysis and management forecasts?
- Trend analysis is used to analyze the business environment and management forecasts predict labour needs.
 - Trend analysis uses organizational indexes and management forecasts utilize statistical techniques.
 - Trend analysis is quantitative and management forecasts are qualitative.
 - Trend analysis has proven success and management forecasts have major shortcomings.

ANSWER: c

28. Which of the following is a graphical representation of all organizational jobs along with the numbers of employees currently occupying those jobs and future employment requirements?
- a Markov analysis
 - a trend analysis
 - a skills inventory
 - a staffing table

ANSWER: d

29. What is the most important information obtained from a Markov analysis?
- human capital readiness
 - what types of attitudes employees have
 - what positions are going to be coming open and will require a new hire
 - how many individuals are ready for promotion

ANSWER: c

30. Which of the following is NOT a qualitative approach to demand forecasting?
- trend analysis
 - Delphi technique
 - soliciting expert opinion
 - management forecast

ANSWER: a

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31. Which of the following is the process of identifying, developing, and tracking key individuals so that they may eventually assume top-level positions?
- target forecasting
 - predicted change
 - succession planning
 - replacement selection

ANSWER: c

32. As part of the SWOT analysis, the internal analyses of the firm would include an analysis of which of the following?
- opportunities
 - strategy
 - threats
 - weaknesses

ANSWER: d

33. Vindal Fabrics has determined that its organizational strength is being an industry leader in producing upholstery fabrics for automobiles. The company believes its weakness is its performance in Southeast Asia. It has also determined that it is missing an opportunity by not yet branching into upholstery for public transit seats. In order to complete a SWOT analysis, does Vindal Fabrics need to do next?
- It needs to see that its major threat is the economic downturn of the auto industry.
 - Its HR department needs to address the company's major weakness.
 - It needs to perform a revenue analysis in order to see what chances it can take.
 - Its HR department needs to address the company's missed opportunity.

ANSWER: a

34. Which of the following is a cooperative strategy pursued by firms?
- joint ventures
 - mergers
 - acquisitions
 - diversification

ANSWER: a

35. In what way can HR best help ensure that a strategic alliance or joint venture goes smoothly in the beginning?
- plan labour supply needs for both organizations
 - systematically monitor employee morale for both organizations
 - teach employees about the other organization
 - assess the compatibility of the two organizational cultures

ANSWER: d

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36. What do we call the internal alignment of HR practices to establish a configuration that is mutually enforcing?
- a. vertical fit
 - b. horizontal fit
 - c. HR alignment
 - d. enforcing fit

ANSWER: b

37. What do we call reducing the workforce through the departure of employees who resign or retire?
- a. attrition
 - b. contraction
 - c. contracting out
 - d. termination

ANSWER: a

38. Organization Y is a unionized textiles manufacturing company that is downsizing. What will Organization Y most likely use when deciding whom to lay off first?
- a. seniority
 - b. the payroll
 - c. what skills and abilities the company needs to thrive
 - d. talent

ANSWER: a

39. Severance pay is usually calculated based on which of the following?
- a. the employee's years of service and salary
 - b. complex formulas administered by the federal government
 - c. the employee's skills and abilities
 - d. the employee's education and performance

ANSWER: a

40. ATM Company has experienced a recent growth in its business. Which of the following is NOT a likely response to its new HR demands?
- a. Hire full-time employees
 - b. Ask employees to work over-time
 - c. Allow for attrition
 - d. Use contract workers

ANSWER: c

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41. What is an HR “dashboard”?
- a. a strategic tool developed by the Boston Consulting Group
 - b. a SWOT analysis at the HR level
 - c. a balanced scorecard
 - d. a software that tracks and graphically displays HR statistics so they can be viewed by managers at a glance

ANSWER: d

42. Which of the following is a method for measuring a firm’s strategic alignment?
- a. Markov analysis
 - b. a balanced scorecard
 - c. benchmarking
 - d. an HR “dashboard”

ANSWER: b

43. Which term refers to an enthusiastically adopted tool for mapping a firm’s strategy in order to ensure strategic alignment?
- a. target forecasting
 - b. predicted focus
 - c. balanced scorecard
 - d. replacement selection

ANSWER: c

44. Which of the following is an important use of the balanced scorecard?
- a. to help balance internal and external fit
 - b. to help managers translate their firms’ strategic goals into operational objectives
 - c. to help managers balance the costs and benefits of HR strategies
 - d. to help with the SWOY analysis

ANSWER: b

45. An organization states that teamwork and working together are important in its strategy but gives bonuses to individuals who excel independently. What is this an example of?
- a. a misalignment of internal fit
 - b. a misalignment of external fit
 - c. a misalignment of internal and external strategy
 - d. a misalignment of strategy and HR

ANSWER: a

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Scenario 2.1

Blockbuster Canada was the first of its kind in Canada in the movie and games rental business and operated for more than 21 years. However, with the advent of more modern technology accessible mainly through Netflix and Rogers On Demand, Blockbuster struggled to stay relevant in a tech-savvy environment where videos and games could now be rented conveniently from the comfort of one's couch via computer or TV. Despite efforts to try to stay relevant, Blockbuster did not leverage technology that had become an important part of their consumer base's daily lives. As a result, Blockbuster was not able to fight off the competition.

46. Refer to Scenario 2.1. To remain competitive, Blockbuster Canada needed to systematically monitor the major external forces influencing the movie/game rental business. Which of the following would be important to its success?
- analysis of the internal environment
 - environmental scanning
 - changes in demographics
 - changes in its mission, vision, and values

ANSWER: b

47. Refer to Scenario 2.1. Blockbuster Canada managers could have successfully advanced the company and remained relevant by focusing on which of the following?
- an environmental analysis
 - what they do best, traditional rentals
 - technological changes including information technology and innovations
 - incentives to keep consumers coming back

ANSWER: c

48. Refer to Scenario 2.1. What is one of the most important assessments a firm like Blockbuster could have made in order to stay relevant?
- identifying the needs of its customers
 - identifying the needs of its producers
 - identifying the needs of its employees
 - teaming up with the competition

ANSWER: a

49. Refer to Scenario 2.1. Blockbuster's competitive environment includes which of the following?
- its customers, HR strategy, new entrants, core capabilities
 - its environmental scanning and analysis
 - its environmental analysis, strategic planning, and HR strategy
 - its customers, rival firms, new entrants, substitutes, and suppliers

ANSWER: d

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50. Refer to Scenario 2.1. For years, Blockbuster survived as a successful entity with various competitors until Netflix and Rogers On Demand began making movies and games available online. Which of the following most likely contributed to Blockbuster going out of business?
- economic, global, political, and environmental factors
 - technological, psychological, and physical factors
 - technological changes, social concerns, and demographic and labour market trends
 - the lack of knowledge workers

ANSWER: c

Scenario 2.2

Avie Products Inc. is planning to add a third shift to its production schedule. It currently has 450 workers involved in all aspects of its fertilizer business, best done in Canada. A recent surge in demand from its global customers is driving the need for more workers; however, Simi Meher, the CEO, is concerned that the surge may be temporary, especially in light of the recent economic downturns in the global environment where Avie does business.

51. Refer to Scenario 2.2. Which approach could Avie use to forecast demand for its products?
- staffing tables
 - Markov analysis
 - skill inventories
 - trend analysis

ANSWER: d

52. Refer to Scenario 2.2. What would assist Avie in determining how many additional workers it would need for the third shift?
- reconciling supply and demand
 - Markov analysis
 - replacement charting
 - trend analysis

ANSWER: a

53. Refer to Scenario 2.2. What is the best strategy for Avie to follow with respect to workers on the third shift?
- hire full-time employees to get their commitment
 - hire part-time staff
 - get management to do the extra work
 - outsource the work to India

ANSWER: b

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54. Refer to Scenario 2.2. Assume that Avie goes ahead with the third shift. What can the company use to evaluate the effectiveness of this strategy in a year's time?
- Markov analysis
 - trend analysis
 - skill inventories
 - benchmarking

ANSWER: d

55. HR planning is the process of setting major organizational objectives and developing comprehensive plans to achieve those objectives.
- True
 - False

ANSWER: False

56. Increased emphasis on HR issues becomes especially critical when organizations consider global strategies, relocation of plants, product innovation plans, and so forth.
- True
 - False

ANSWER: True

57. Human resources planning plays a key role in organizational strategy implementation because organizational leaders must make decisions regarding resource allocations to human capital, among other things.
- True
 - False

ANSWER: True

58. Strategic plans have a strong external orientation that covers major portions of the organization, focusing mainly on how the organization will position itself globally.
- True
 - False

ANSWER: False

59. Human resources planning (HRP) is the conducting of recruitment and selection methods according to a strategic plan.
- True
 - False

ANSWER: False

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60. The mission statement of an organization is a description of the organization's vision and values.
- a. True
 - b. False

ANSWER: False

61. Organizational core values are the strong enduring beliefs and principles that a company uses as a foundation for its decisions.
- a. True
 - b. False

ANSWER: True

62. Environmental scanning involves the systematic monitoring of internal factors influencing the organization.
- a. True
 - b. False

ANSWER: False

63. Economic factors in environmental scanning include general and global conditions.
- a. True
 - b. False

ANSWER: True

64. The number of hours that Canadians work per week has been trending downward and now hovers around 33 hours a week.
- a. True
 - b. False

ANSWER: True

65. Nearly one-fifth of the workforce is made up of part-time, temporary, and self-employed workers.
- a. True
 - b. False

ANSWER: True

66. National and regional unemployment rates are often considered a general barometer of labour supply.
- a. True
 - b. False

ANSWER: True

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67. Human Resources and Skills Development Canada (HRSDC) analyzes labour markets to determine the supply and demand for labour.

- a. True
- b. False

ANSWER: True

68. External supply of labour is central to strategic planning.

- a. True
- b. False

ANSWER: False

69. Internal analysis provides strategic decision makers with an inventory of organizational skills and resources.

- a. True
- b. False

ANSWER: True

70. A cultural audit asks questions such as “How do employees spend their time?”

- a. True
- b. False

ANSWER: True

71. Core capabilities are integrated skills and knowledge sets within an organization that distinguish it from its competitors and deliver value to customers.

- a. True
- b. False

ANSWER: True

72. Core capabilities provide a long-term basis for technological innovation, product development, and service delivery.

- a. True
- b. False

ANSWER: True

73. In general, contract labour possesses skills and knowledge of less strategic value to the organization than core knowledge workers.

- a. True
- b. False

ANSWER: True

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74. Organizations such as Canadian Tire and CIBC conduct cultural audits to examine the attitudes and activities of the external workforce.

- a. True
- b. False

ANSWER: False

75. A cultural audit may examine how people are empowered.

- a. True
- b. False

ANSWER: True

76. A cultural audit asks questions such as “What is the ethnic make-up of my workforce?”

- a. True
- b. False

ANSWER: False

77. There are two approaches to HR forecasting: quantitative and qualitative.

- a. True
- b. False

ANSWER: True

78. Trend analysis is a qualitative approach to labour demand forecasting.

- a. True
- b. False

ANSWER: False

79. Trend analysis relies on a single business factor.

- a. True
- b. False

ANSWER: True

80. Forecasting may be as informal as having one person familiar with the organization anticipate HR needs.

- a. True
- b. False

ANSWER: True

81. Management forecasts are quantitative measurements of future employment needs.

- a. True
- b. False

ANSWER: False

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82. The Delphi technique works best in organizations where dynamic technological changes affect staffing levels.
- a. True
 - b. False

ANSWER: True

83. Staffing tables provide data on external labour supply sources.
- a. True
 - b. False

ANSWER: False

84. Markov analysis is a systematic monitoring of the major external forces influencing an organization.
- a. True
 - b. False

ANSWER: False

85. Markov analysis focuses on the number of employees in particular jobs and their skill levels, compensation, and job tenure.
- a. True
 - b. False

ANSWER: False

86. Succession planning is the process of identifying, developing, and tracking key individuals so that they may eventually assume top-level positions.
- a. True
 - b. False

ANSWER: True

87. Replacement charts are listings of current jobholders who are potential replacements if an opening occurs.
- a. True
 - b. False

ANSWER: True

88. SWOT analysis includes the strengths only for strategy formulation purposes.
- a. True
 - b. False

ANSWER: False

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89. The stages of HR activity associated with a merger are (1) precombination, (2) combination, and (3) solidification and assessment.

- a. True
- b. False

ANSWER: True

90. Value creation is what the firm adds to a product or service by virtue of making it; it's the amount of benefits provided by the product or service once the costs of making it are subtracted.

- a. True
- b. False

ANSWER: True

91. Through human resources planning, organizations strive for a proper balance between demand considerations and supply considerations.

- a. True
- b. False

ANSWER: True

92. Decisions about employee layoffs are usually based on seniority and/or performance.

- a. True
- b. False

ANSWER: True

93. A disadvantage of overemphasizing seniority is that less competent employees receive the same rewards and security as more competent employees.

- a. True
- b. False

ANSWER: True

94. Attrition is the fastest way to achieve workforce reduction.

- a. True
- b. False

ANSWER: False

95. In unionized firms, layoffs are typically based on performance.

- a. True
- b. False

ANSWER: False

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96. Attrition and early retirement are means for organizations to reduce excess labour.

- a. True
- b. False

ANSWER: True

97. Under the umbrella of layoff strategies are several work reduction options: reduced workweek, reduced shifts, transfers to related companies, and so on.

- a. True
- b. False

ANSWER: True

98. The use of part-time employees creates a problem of labour costs at fast-food restaurants.

- a. True
- b. False

ANSWER: False

99. Over time, organizations may try to reduce their workforce by relying on attrition.

- a. True
- b. False

ANSWER: False

100. Severance pay is a lump-sum payment given to terminated employees.

- a. True
- b. False

ANSWER: True

101. Benchmarking is the process of comparing the organization's processes and practices with those of other companies.

- a. True
- b. False

ANSWER: True

102. Internal fit (or alignment) means that HR practices are aligned with one another in a mutually reinforcing configuration.

- a. True
- b. False

ANSWER: True

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103. Describe how human resources planning is integrated with strategic planning.

ANSWER: Through strategic planning, organizations set major objectives and develop plans to achieve those objectives. HRP provides a set of inputs that determine what is or is likely to be possible, given the number of available people, training needs, and other people-related issues. HR strategies and action plans are developed according to the overall strategic goals that evolve from the strategy formulation process. During the strategy implementation phase, HRP must make resource allocation decisions, and implement policy, practices, and training that support the decisions and outcomes of the strategic planning process.

104. Describe the three key elements of the HRP model.

ANSWER: The three key elements in the HR planning process are (1) forecasting demand, (2) forecasting supply, and (3) balancing supply and demand considerations.

Forecasting demand involves estimating in advance the number and type of people needed to meet organizational objectives. It may involve a quantitative approach using statistical analysis and mathematical models or a qualitative approach focusing on employee performance and promotability.

Forecasting supply determines if there are sufficient numbers and types of employees available to staff anticipated openings. Sources of supply can be external or internal.

HR planning should strive for a proper balance between the emphasis placed on demand considerations and that placed on supply considerations. Demand considerations are based on the forecast of trends in business activity. Supply considerations involve the determination of where and how candidates with the required qualifications are to be found to fill vacancies.

105. Identify and briefly describe three strategies that managers frequently use to cope with a labour shortage.

ANSWER: (1) Overtime (i.e., asking employees to work extra hours) is a strategy used by most firms during peak periods. (2) Increasingly, organizations are using part-time employees to increase flexibility in scheduling and reducing payroll costs. Many organizations use part-time or contract employees to cover the absences of regular, full-time employees. (3) In addition, nine out of ten Canadian companies—both large and small—make some use of temporary employees. “Temps” are typically used for short-term assignments, vacation fill-ins, for peak work periods, or to cover for employees taking sick leave, pregnancy leave, and so forth.

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106. What are the advantages and disadvantages of using attrition as a downsizing strategy?

ANSWER: The primary advantage of using attrition (combined with a hiring freeze) is the ability to control and predict compensation expenses that go beyond the salaries and benefits redeemed from departing employees. When the organization does not replace departing employees, the reduction in recruitment, orientation and training, office space costs, and so forth, can result in substantial savings.

However, the disadvantages of attrition are significant. Current employees may be overburdened with the work of departing employees; their skills may not match the skill sets of the departed workers; and no new skills or ideas are infiltrating the organization. In addition, the organization is unable to control who leaves and who stays, which may result in valuable employees leaving, while less needed ones remain. Attrition also poses the disadvantage of taking a long time, compared to processes that can be accomplished rapidly, such as layoffs.

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1. XYZ Inc., a new manufacturing company, wants to build its human capital base. Which of the following staffing programs should it rely upon?
 - a. identifying and hiring cheap sources of qualified labour in order to fill front-line positions quickly
 - b. identifying and hiring individuals with highly specialized skills who can train others in the organization
 - c. identifying college graduates with the requisite skills who can be promoted to management positions quickly
 - d. identifying and hiring the best and brightest individuals

ANSWER: d

2. Which of the following is an increasing source of success for organizations?
 - a. the knowledge, skills, and abilities of its top executives
 - b. the knowledge, skills, and abilities of its employees
 - c. the proper management of the knowledge, skills, and abilities of its employees
 - d. the knowledge, skills, and abilities of HR professionals

ANSWER: b

3. ABC Corporation wants to expand on its markets in its new strategic plan. The plan covers the use of key resources available to the firm, including technology, people, and access to capital. Which of the following would be a critical human capital component of the plan?
 - a. capital investments
 - b. employees' skills
 - c. new markets
 - d. updated technology

ANSWER: b

4. Dave Ulrich, a professor of management, is quoted as saying that, in terms of learning and development: "Learning capability is g times g" What does this mean?
 - a. an employee's knowledge, measured as g , multiplied by the employer's goodwill
 - b. an organization's goodwill multiplied by its generosity to employees in terms of salaries and benefits
 - c. an organization's grand image and brand multiplied by its goodwill
 - d. an organization's ability to generate new ideas multiplied by its adeptness at generalizing them throughout the company

ANSWER: d

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5. Many prospective employees are interested in obtaining a job where they can learn new skills and improve existing skills. What type of organization would be the most attractive to such candidates?
- an organization that provides many formal training programs that are not easily transferable to other organizations
 - an organization that provides many formal training programs that are very easily transferred to any job the applicant might want to apply for later in his or her career
 - an organization that provides mentorship programs where employees attempt challenging situations under the guidance of experienced senior staffers
 - an organization that provides “grow and learn” sessions where classroom sessions are backed up by on-the-job training

ANSWER: c

6. Why does effective management of human resources provide a firm with competitive advantage?
- because it is financially cheaper to acquire people versus other resources
 - because people help to accelerate the use of technology
 - because it is difficult to replicate how we manage people in organizations
 - because it is easier to manage people versus other resources

ANSWER: c

7. HRM plays an important role in organizations by balancing the sometimes competing demands of which of the following?
- competitive challenges and employee concerns
 - international challenges and employee concerns
 - employee concerns and employer challenges
 - competitive and employee challenges

ANSWER: a

8. Approximately what percentage of the Canadian economy is affected by global competition?
- 70-85%
 - 60-75%
 - 50-65%
 - 40-55%

ANSWER: a

9. Which of the following is NOT a key benefit of corporate social responsibility?
- avoiding lawsuits
 - improving earnings
 - attracting more applicants
 - improving pay for employees

ANSWER: d

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10. In today's highly competitive environment, managing organizational change has become which of the following?
- a core competency of the organization
 - a product of globalization and technological advancement
 - a proactive method of downsizing
 - the preferred method of reacting to a decrease in organizational performance

ANSWER: a

11. What was the first major trade agreement of the twentieth century to establish rules and guidelines for global commerce?
- NAFTA (North American Free Trade Agreement)
 - GATT (General Agreement on Tariffs and Trade)
 - FTAA (Free Trade Area of the Americas)
 - APEC (Asia Pacific Economic Cooperation)

ANSWER: b

12. Company A has decided to hire someone outside the company to perform tasks that could be done internally. What is this practice called?
- contracting
 - outplacement
 - employee leasing
 - outsourcing

ANSWER: d

13. Which organization has the BEST chance of implementing a successful change initiative?
- one that has ensured the employees are not overburdened with work relating to the change and have time to focus on their jobs
 - one that has been very positive and relaxed throughout, ensuring not to establish a sense of urgency and always reporting positive effects
 - one that has ensured good news is shared and the change victory is celebrated as soon as some indicators appear positive
 - one that has ensured the changes are aligned with the organizational culture in important ways

ANSWER: d

14. The importance of Six Sigma to HR extends to all of the following **EXCEPT** which one?
- performance management
 - employee benefits
 - training
 - communication

ANSWER: b

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15. HRIS systems in some organizations help managers to connect with employees and with the HR data they need. What type of technological effect is this?
- a. relational
 - b. operational
 - c. transformational
 - d. configurational

ANSWER: a

16. HRIS systems in some organizations, such as Corning Inc., are changing the way HR processes are designed and executed. What type of technological effect is this?
- a. relational
 - b. operational
 - c. transformational
 - d. configurational

ANSWER: c

17. Organization A is attempting to foster proactive change within the firm. This organization is forming teams and extending its processes to include training, performance management, communication, culture, and even rewards. The organization hopes to improve its ability to catch mistakes before they happen. What is Organization A implementing?
- a. Six Sigma
 - b. continuous improvement
 - c. reengineering
 - d. total quality management

ANSWER: a

18. Organization C is attempting to manage reactive change within the organization. This organization is radically changing every process through redesigning and rethinking from the ground up. The firm needs a dramatic change in order to survive. What is Organization C implementing?
- a. Six Sigma
 - b. continuous improvement
 - c. reengineering
 - d. total quality management

ANSWER: c

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19. Which of the following is a key motivator for offshoring?
- a. increased productivity
 - b. better just-in-time operations
 - c. better access to technology
 - d. lowered labour costs

ANSWER: d

20. XYZ Inc. decided to lay off a relatively large proportion of their employees due to poorer-than-anticipated financial performance. What is this an example of?
- a. proactive change
 - b. transformational change
 - c. transitional change
 - d. reactive change

ANSWER: d

21. In an effort to take advantage of a market opportunity, Apple created the iPhone in open-source format so that anyone can develop and sell an iPhone application. What is this an example of?
- a. proactive change
 - b. reactive change
 - c. managing change
 - d. transformational change

ANSWER: a

22. Employee productivity is directly driven by three key factors. Which of the following is NOT one of these factors?
- a. low labour costs
 - b. employees' abilities
 - c. employee motivation
 - d. the work environment

ANSWER: a

23. Which of the following is an example of corporate social responsibility?
- a. providing career counselling to outsourced employees to increase their ability to find work
 - b. installing noise-reduction baffling in plants to decrease anticipated community complaints
 - c. sharing knowledge freely throughout the organization to improve employee efficiency and workflow
 - d. providing speed-reading courses for front-line staff to improve their abilities in absorbing new information

ANSWER: b

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24. Which type of work would a knowledge worker most likely engage in?
- a. deciding which type of fertilizer to buy wholesale for a landscaping business
 - b. counting the number of grocery items in carts leaving a wholesale store
 - c. monitoring children on new daycare playground equipment
 - d. installing new ink cartridges in colour photocopiers in an office environment

ANSWER: a

25. Information technology impacts HRM practices in several important ways. Which of the following is one such way?
- a. Paper waste from employee files is drastically decreased.
 - b. Convenience in general has increased.
 - c. Employee recording of all types is carried out much faster.
 - d. Many HR functions can now be considered “self-serve.”

ANSWER: d

26. Which of the following is a critical demographic-related problem facing Canadian firms?
- a. an increasingly homogenous population
 - b. retirement of baby boomers
 - c. migration from Ontario
 - d. increasing salaries for employees

ANSWER: b

27. What are millennials also known as?
- a. Generation A
 - b. Generation B
 - c. Generation X
 - d. Generation Y

ANSWER: d

28. ABC Bank is experiencing rapid retirement of baby boomers. The bank needs to retain its employment levels because of the volume of work, and it does not want to increase the workload of its employees. Which of the following is a good strategy for the bank to pursue to address this situation?
- a. Do nothing as the situation will rectify itself.
 - b. Offer higher compensation packages to attract qualified candidates.
 - c. Downsize the firm to save on labour costs.
 - d. Increase production efforts so as to gain more revenue.

ANSWER: b

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29. Which of the following is a key benefit for organizations when they rehire retirees?
- a. lower health care costs
 - b. better strategic planning
 - c. improved group performance
 - d. lower turnover

ANSWER: d

30. Which of the following is NOT an approach generally used by organizations to try to lower labour costs?
- a. employee development
 - b. outsourcing
 - c. employee leasing
 - d. relocating aspects of their operations to countries in the developing world

ANSWER: a

31. Which of the following is one of the largest expenditures of service companies?
- a. production costs
 - b. marketing costs
 - c. labour costs
 - d. distribution costs

ANSWER: c

32. In an effort to prevent downsizing its employees, ABC Inc. has asked its staff to accept reduced pay. What strategy is ABC Inc. using?
- a. furloughing
 - b. employee leasing
 - c. reduced downsizing
 - d. outsourcing

ANSWER: a

33. Which statement best reflects the current view on the efficacy of offshoring as a cost reduction measure?
- a. While organizations can save with this practice, hidden costs, such as productivity loss during the transition, can chew up much of the financial gains.
 - b. The practice of offshoring has been one of the most positive HR trends of the last ten years.
 - c. The continuous shifting of global economies makes offshoring a necessary function for organizations to survive.
 - d. Offshoring only works if top managers begin early in the process to plan their key strategies, such as alternative talent pools and workforce training.

ANSWER: a

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34. ABC Corporation wants to contain its costs while allowing it to maintain working relationships with the employees while shifting administrative costs to another firm. What is this practice an example of?
- professional employer organization
 - gainsourcing
 - employee leasing
 - outsourcing

ANSWER: c

35. Which of the following is a major strength of employee leasing?
- Employee leasing shifts employment costs to the PEO.
 - With employee leasing, the PEO allows organizations to increase their productivity.
 - Employee leasing allows organizations to offer better job security through the strength of the PEO.
 - With employee leasing, the PEO can manage employee issues.

ANSWER: a

36. What is the Canadian workforce expected to exhibit by 2031?
- It is expected to exhibit about the same demographic mix as it does today.
 - It is expected to exhibit a decrease in ethnic diversity.
 - It is expected to exhibit an increase in ethnic diversity.
 - It is expected to exhibit a decrease in retirements.

ANSWER: c

37. Which of the following trends is causing a major organizational concern that the expertise of employees will be rapidly drained from their companies?
- Generation nexus is thus far not demonstrating a dedication to training and education.
 - There is an increase of uneducated women entering the workforce.
 - Recruitment of lower-skilled immigrant workers is increasing.
 - Large proportions of some workforces are nearing retirement.

ANSWER: d

38. Which of the following best captures the list of modern social issues in HRM?
- changing work structures, attitudes toward work and family, and increasing labour costs
 - changing demographics, employer/employee rights, and attitudes toward work and family
 - changing demographics, increasing labour costs, and global economic pressures
 - corporate social responsibility, organizational citizenship behaviour, and changing work structures

ANSWER: b

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39. Which statement best describes the relationship among gender, education, and pay?
- Women generally earn less than men do; however, when they have an advanced degree they earn the same amount as men.
 - Men and women generally earn the same amount except when neither group has any higher education.
 - Women consistently and in every category earn less than men with an equivalent amount of education.
 - Men with a university degree earn approximately the same as women with an advanced degree.

ANSWER: c

40. Many Canadian firms are shifting some of their work and jobs to overseas locations. What is this business practice called?
- nearshoring
 - offshoring
 - employee leasing
 - downsizing

ANSWER: b

41. Which of the following groups is responsible for building an organization's skilled and motivated workforce?
- HR managers
 - line managers and supervisors
 - department managers
 - HR and line managers

ANSWER: d

42. Which of the following is a key responsibility of the human resources manager?
- ensuring the credit rating of the organization
 - balancing the organization's accounts
 - policy formulation and implementation
 - securing new markets

ANSWER: c

43. What are the competencies of the human resources manager?
- business mastery, HR mastery, and executive mastery
 - business mastery, HR mastery, and personal credibility
 - business mastery, HR mastery, personal credibility, and change mastery
 - change mastery, personal credibility, union mastery, and HR mastery

ANSWER: c

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44. What is the changing nature of the HR manager's role increasingly focused on?
- policy formulation
 - international issues
 - privacy issues, global management issues, HR planning, and downsizing issues
 - basic practices like staffing, but also policy development, employee advocacy, and advice

ANSWER: d

45. Which of the following best summarizes the competency model for HR professionals?
- HR professionals require change mastery, HR mastery, personal credibility, and business mastery.
 - HR professionals require HR mastery, business mastery, global acumen, and change mastery.
 - HR professionals require IT mastery, HR mastery, business mastery, and ethics.
 - HR professionals require IT mastery, HR mastery, global acumen, and change mastery.

ANSWER: a

Scenario 1.1

Canada Proud is a small food processing company located in northern British Columbia. Recently, it has faced pressures from competitors who have been able to produce similar products more cheaply. The owners of Canada Proud are looking into the possibility of starting a branch of the company in Mexico. Trade agreements among countries around the globe help companies like Canada Proud in becoming globally competitive. However, the company is aware that there may be opposition to such a move, especially if it affects the future viability of its current operations.

46. Refer to Scenario 1.1. Which trade agreement would be applicable in Canada Proud's case?
- General Agreement on Tariffs and Trade (GATT)
 - North American Free Trade Agreement (NAFTA)
 - North American Economic Cooperation (NAEC)
 - Canada-Mexico Free Trade Agreement (CMFTA)

ANSWER: b

47. Refer to Scenario 1.1. How can locating a new division in Mexico help the company become more competitive?
- It can reduce labour costs.
 - It will help the image of the company.
 - It will help the company become larger and better able to challenge competitors.
 - It will ensure access to Latin American markets for its products.

ANSWER: a

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48. Refer to Scenario 1.1. What would be a big challenge for Canada Proud's HRM professionals if the company decides to open a division in Mexico?
- convincing the Canadian government that it would be better to do business in Mexico
 - acquiring the physical facilities in Mexico
 - laying off workers in its current operations
 - hiring employees in Mexico with the relevant skills

ANSWER: d

49. Refer to Scenario 1.1. One way to avoid or reduce criticism of potential exploitation of Mexican workers through the use of sweatshops and low wages would be to practise "good citizenship." What is the term used to describe such "good citizenship"?
- corporate social responsibility
 - corporate good citizenship
 - organizational citizenship
 - corporate philanthropy

ANSWER: a

50. Refer to Scenario 1.1. How can setting up a branch in Mexico affect the future viability of Canada Proud's current operations?
- Trade agreements do not allow companies to run exactly the same operations in two countries.
 - Public pressure in Canada would force the closure of the current operations.
 - The cost advantages in Mexico may lead the company to close its operations in British Columbia.
 - The pressure to manage more than one set of operations is always too much for a single company.

ANSWER: c

Scenario 1.2

The leadership at ABS Inc. has been pondering on the use of higher levels and intensity of technology in their operations. The organization has a close knit group of about 200 employees and a strong organizational culture. It is worried that its employees could become dependent on technology and this would affect the culture. The firm is also worried about the costs to implement the technology and whether the employees can be trained.

51. Refer to Scenario 1.2. While ABS is worried about technology's effect on its culture, there is another potentially negative effect for some workers. What is it?
- There would be less need for unskilled workers.
 - The organization would become more inefficient.
 - The image of the firm would be adversely affected.
 - There would be pay cuts.

ANSWER: a

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52. Refer to Scenario 1.2. What is a key advantage for ABS Inc. if they install better HRIS systems?
- They will outperform all competitors.
 - HR personnel can concentrate on strategic issues versus routine.
 - Employees will be better paid.
 - Application rates will increase.

ANSWER: b

53. To achieve sustainable competitive advantage through people, an organization's employees' skills, knowledge, and abilities must be widely available in the labour market.
- True
 - False

ANSWER: False

54. The knowledge, skills, and capabilities that impact a company's performance but do not necessarily show up on its balance sheet are known as human capital.
- True
 - False

ANSWER: True

55. Organizations own their human capital, including investments made in training and development.
- True
 - False

ANSWER: False

56. HR programs and assignments are often the primary method by which knowledge is transferred among employees.
- True
 - False

ANSWER: True

57. HR professionals do not need to fully understand the economic and financial matters pertaining to their organization.
- True
 - False

ANSWER: False

58. One of the main reasons change efforts fail is that organizations do not create a sense of urgency.
- True
 - False

ANSWER: True

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59. Reallocation of resources and assets is most often the reason for failed change management.

- a. True
- b. False

ANSWER: False

60. The extent to which organizations are successful in focusing on internal management issues often separates the winners from the losers in today's competitive world.

- a. True
- b. False

ANSWER: False

61. To be successful, organizations should seek to align their processes with customer needs.

- a. True
- b. False

ANSWER: True

62. "Six Sigma" refers to the six criteria for the Malcolm Baldrige National Quality Award.

- a. True
- b. False

ANSWER: False

63. Organizations known for product and service quality recognize the importance of employees in fostering quality improvements.

- a. True
- b. False

ANSWER: True

64. Employee motivation, teamwork, corporate culture, employee education, performance management, and rewards are the six aspects in the quality improvement program known as "Six Sigma."

- a. True
- b. False

ANSWER: False

65. Reengineering is a statistical method of translating customer needs into separate tasks and defining the best way to perform each task.

- a. True
- b. False

ANSWER: False

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66. To launch a successful reengineering effort, it is important that managers build on existing processes.
- a. True
 - b. False

ANSWER: False

67. To successfully manage change, organizations, particularly in fast-growing industries, should wait to see how external forces impact performance, and then develop a plan to react to those changes.
- a. True
 - b. False

ANSWER: False

68. In a recent survey, only about two-thirds of companies reported having a formal change management program to support their change initiatives.
- a. True
 - b. False

ANSWER: True

69. A recent study suggests that about 55 percent of Canada's workforce will be impacted by globalization, with knowledge workers and manufacturing jobs taking the brunt of the impact of the competition by lower-wage countries.
- a. True
 - b. False

ANSWER: False

70. Employees and the public at large are demanding that employers demonstrate greater social responsibility.
- a. True
 - b. False

ANSWER: True

71. The introduction of advanced technology tends to increase the number of jobs that require basic skills.
- a. True
 - b. False

ANSWER: False

72. Because of the "dot-com bust," the initial explosive success of Internet business declined drastically and is still in a moderate decline.
- a. True
 - b. False

ANSWER: False

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73. In general, many companies are realizing diminished demand for “touch labour” and an increasing demand for “knowledge workers.”

- a. True
- b. False

ANSWER: True

74. A human resource information system (HRIS) provides current and accurate data for control and decision making by managers.

- a. True
- b. False

ANSWER: True

75. Because of its importance, HR managers in progressive organizations are frequently assuming sole responsibility for the implementation of information technology.

- a. True
- b. False

ANSWER: False

76. An important hidden cost of layoffs is a loss of institutional memory and trust in management.

- a. True
- b. False

ANSWER: True

77. Labour costs are one of the largest expenditures of any organization.

- a. True
- b. False

ANSWER: True

78. Rather than simply laying off people in downsizing efforts, companies such as L.L. Bean rely upon voluntary separation programs to provide an incentive for employees to leave on their own accord.

- a. True
- b. False

ANSWER: True

79. Almost all Canadian employers have engaged in some type of downsizing.

- a. True
- b. False

ANSWER: False

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80. Methods of reducing labour costs include downsizing, outsourcing, and employee leasing.

- a. True
- b. False

ANSWER: True

81. Outsourcing is positively related to improving key competencies of the firm.

- a. True
- b. False

ANSWER: True

82. An increased reliance on outsourcing is likely to increase the morale and productivity of the employees that remain on the job.

- a. True
- b. False

ANSWER: False

83. Employee leasing refers to employing workers in their homes rather than within the traditional office environment.

- a. True
- b. False

ANSWER: False

84. Employee leasing shifts administrative costs from the company to a professional employer organization.

- a. True
- b. False

ANSWER: True

85. Employee productivity is the result of a combination of employees' abilities, motivation, and work environment, and the technology they have to work with.

- a. True
- b. False

ANSWER: True

86. It is quite possible that when managers increase costs productivity often rises.

- a. True
- b. False

ANSWER: False

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87. Older workers now are choosing to work longer.

- a. True
- b. False

ANSWER: True

88. Currently, the percentage of women in the labour force is 35 percent.

- a. True
- b. False

ANSWER: False

89. Women are heavily concentrated in managerial occupations.

- a. True
- b. False

ANSWER: False

90. Due to increases in education, the gap between the educated and the non-educated is decreasing.

- a. True
- b. False

ANSWER: False

91. Managing diversity means ensuring all employees are treated equally.

- a. True
- b. False

ANSWER: False

92. Managers in general and HR managers in particular should be concerned with the makeup and expectations of their employees.

- a. True
- b. False

ANSWER: True

93. Employees today are less likely to define success only in terms of financial gain.

- a. True
- b. False

ANSWER: True

94. Family-friendly companies may risk alienating those employees who cannot utilize benefits provided.

- a. True
- b. False

ANSWER: True

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95. Most human resources issues have little relevance for line managers.

- a. True
- b. False

ANSWER: False

96. Some companies report that offering family-friendly benefits is so successful there are virtually no drawbacks.

- a. True
- b. False

ANSWER: False

97. One of the responsibilities of HR managers is to provide advice and counsel to line managers.

- a. True
- b. False

ANSWER: True

98. An HR manager is typically expected to function as an in-house consultant to supervisors, managers, and executives.

- a. True
- b. False

ANSWER: True

99. Because HR managers function in an advisory role, they are responsible for issuing policy revisions and implementing them.

- a. True
- b. False

ANSWER: False

100. Top management increasingly expects HR managers to reduce their level of involvement in the overall strategy of the organization and concentrate on improving administrative efficiency.

- a. True
- b. False

ANSWER: False

101. One of the roles of HR managers is to act as employee advocates despite their positions as managers.

- a. True
- b. False

ANSWER: True

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102. According to the diagram in the text, courage is an important aspect of being an HR professional.
- True
 - False

ANSWER: True

103. What are the six competitive challenges facing human resources management departments?

ANSWER: The six competitive challenges facing human resources departments are (1) globalization, (2) embracing new technology, (3) managing change, (4) developing human capital, (5) responding to the market, and (6) containing costs.

(1) First, in order to grow and prosper, many companies are seeking business opportunities in global markets. HR issues underlie concerns related to managing diverse cultures, geographies, laws, and business practices.

(2) Second, the introduction of advanced technology has created a shift from touch labour to knowledge workers, impacting the way in which workers are managed. In addition, technology has altered the methods of collecting employment information, speeding up the processing of that data, and improving the process of internal and external communication.

(3) Third, to become faster and more adaptable, many organizations are seeking ways to manage change. Programs such as TQM, downsizing, reengineering, outsourcing, and the like are examples of changes that organizations are making to modify the way they operate to be more successful. Each of these change efforts depends heavily on the adjustment of HR practices to facilitate and manage evolving issues related to an organization's workforce.

(4) Fourth, organizational success is increasingly recognized as resting upon a firm's ability to manage human capital. HR practices are the fundamental tools by which organizations build, enhance, and maintain their stock of human capital.

(5) Fifth, meeting the demands of the market is an important criterion for organizational success. Management innovations such as TQM and reengineering represent two prominent approaches to responding to customer demands.

(6) Finally, containing costs, especially labour costs, is an important component of organizational success. As a result, many firms have engaged in initiatives such as downsizing, outsourcing, and employee leasing as a means to realize greater cost controls. Each of these practices has significant implications for HR practices. For example, during a downsizing initiative, HR has an obligation to help maintain a healthy relationship between a company and its employees through services such as outplacement.

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104. What implications do the anticipated changes in demographics have for the management of human resources?

ANSWER: Demographically, the labour force is expected to age (with the aging of the baby boomers), creating a larger number of older workers and a shrinking pool of young workers. HRM implications for aging workers include (1) increases in the competition for entry-level workers; (2) increased costs of compensation, health care, and retirement benefits; (3) career plateau and related motivational concerns; and (4) training techniques that help senior workers “unlearn” old behaviours while acquiring new ones.

Diversity in the workplace will continue, with a higher proportion of women and minorities in the workforce. HRM efforts that will be required to accommodate the needs of these workers include (1) flexible schedules, parental leave, and daycare options for dual-career families; and (2) training for supervisors in the management of a diverse workforce.

Educational levels are expected to rise, but functional and technological illiteracy will continue to be a problem for employers. HR managers will need to plan training programs to assist employees in attaining basic and developmental skills and overcoming these deficiencies.

Managing diversity involves managing employees as individuals while maintaining awareness of characteristics common to all employees.