Chapter 01 - Human Resource Management in Organizations

1. Which of the following statements is true of human resource management?
    a. It refers to auditing the finances of an organization.
    b. It involves generating business by identifying potential customers and ensuring customer satisfaction.
    c. It involves evaluating the external competition impacting an organization.
    d. It refers to designing formal systems in an organization to manage human talent for accomplishing organizational goals.
ANSWER: d

2. Binkers Inc. is a start-up that believes in hiring only the best talent. The company has about 100 highly efficient and motivated employees. Given this information, it can be said that Binkers most likely understands the importance of _____.
    a. human capital
    b. benchmarking
    c. contingency planning
    d. job enlargement
ANSWER: a

3. Unit labor cost is computed by dividing:
    a. the total cost of workers by their average levels of output.
    b. the total level of output by the total cost of workers.
    c. the average level of output by the average cost of workers.
    d. the average cost of workers by their average levels of output.
ANSWER: d

4. Big Drop Inc. plans to increase employee productivity by eliminating some layers of management and changing reporting relationships. The senior managers of the company decide to downsize the company and lay off some employees. This is an example of _____.
    a. organizational restructuring
    b. benchmarking
    c. aligning HR activities
    d. onboarding
ANSWER: a

5. _____ is a method to increase employee productivity by making changes to the way work gets done by focusing on the characteristics of jobs and altering how tasks are structured and coordinated.
    a. Organizational restructuring
    b. Benchmarking
    c. Onboarding
    d. Redesigning work
ANSWER: d

6. _____ is a method to increase employee productivity by ensuring that HR efforts and practices are consistent with organizational efforts to improve productivity and satisfy strategic goals.
    a. HR auditing
    b. Benchmarking
    c. Aligning HR activities

Chapter 01 - Human Resource Management in Organizations

    d. Organizational restructuring

ANSWER: c

7. In the context of improving employee productivity, which of the following activities is involved in organizational restructuring?

    a. Cutting staff through layoffs

    b. Implementing job enrichment programs

    c. Providing feedback to employees

    d. Providing training to new recruits

ANSWER: a

8. In the context of improving employee productivity, which of the following activities is involved in redesigning work?

    a. Reshaping jobs because of technology changes

    b. Revising organizational structures

    c. Training, developing, and evaluating employees

    d. Outsourcing operations internationally

ANSWER: a

9. In the context of improving employee productivity, which of the following activities is involved in aligning HR activities?

    a. Changing workloads and combining jobs

    b. Revising organizational structures

    c. Using domestic vendors instead of employees

    d. Training, developing, and evaluating employees

ANSWER: d

10. In the context of improving employee productivity, which of the following activities is involved in outsourcing analyses?

    a. Revising organizational structure

    b. Using domestic vendors instead of employees

    c. Changing workloads and combining jobs

    d. Attracting and retaining employees

ANSWER: b

11. Which of the following is true of organizational culture?

    a. It generally varies across an organization.

    b. It changes frequently over time.

    c. It provides members of an organization with rules of behavior.

    d. It is quickly established.

ANSWER: c

12. In the context of the seven HR management functions, which of the following is a component of employee and labor relations?

    a. HR policies

b. Health and wellness

c. HR effectiveness

d. Affirmative action

ANSWER: a

13. In the context of the seven HR management functions, which of the following is a component of strategy and planning?

a. Diversity

b. HR retention

c. HR policies

d. Compensation

ANSWER: b

14. Which of the following is a component of the talent acquisition function of HR management?

a. Recruiting

b. Training

c. Orientation

d. Career planning

ANSWER: a

15. Which of the following is true of the administrative role of HR departments?

a. It involves managing HR activities based on the strategies and operations identified by management.

b. It helps define an organization's business strategy relative to human capital and its contribution to the organization's results.

c. It involves identifying possible strategies to attract and retain talent with a focus on organizational growth.

d. It focuses on recordkeeping, including essential legal paperwork and policy implementation.

ANSWER: d

16. Which of the following is true of the operational role of HR departments?

a. It focuses on clerical administration and recordkeeping, including essential legal paperwork and policy implementation.

b. It involves identifying possible strategies to attract and retain talent with a focus on organizational growth.

c. It involves managing HR activities based on the strategies and operations identified by management.

d. It helps define an organization's business and HR strategies relative to human capital and its contribution to the organization's results.

ANSWER: c

17. Which of the following has traditionally been the dominant role for human resources?

a. Operational role

b. Employee advocate role

c. Administrative role

d. Strategic role

ANSWER: c

18. Sara, an HR Manager at Comp Inc., is moving from an administrative role in the HR department to an operational role. Which of the following best describes the change in Sara's role?

    a. Moving from processing legal paperwork to serving as a "champion" for employee concerns

    b. Moving from managing strategic HR activities to helping management define strategies to manage human capital

    c. Moving from helping management define the strategy to manage human capital to serving as a "champion" for employee concerns

    d. Moving from helping management define the strategy to manage human capital to processing legal paperwork

ANSWER: a

19. Bob, an HR executive at Axis Inc., is moving from an operational role in the HR department to a strategic role. Which of the following best describes the change in Bob's role?

    a. Moving from serving as "champion" for employee concerns to helping management define the business strategy relative to human capital

    b. Moving from helping management define the strategy to manage human capital to processing legal paperwork

    c. Moving from processing legal paperwork to serving as a "champion" for employee concerns

    d. Moving from processing legal paperwork to helping management define the strategy to manage human capital

ANSWER: a

20. David, an HR Manager at RedWall Inc., is moving from an administrative role in the HR department to a strategic role. Which of the following best describes the change in David's role?

    a. Moving from serving as a "champion" for employee concerns to processing legal paperwork

    b. Moving from helping management define the strategy to manage human capital to serving as "champion" for employee concerns

    c. Moving from processing legal paperwork to helping management define the business strategy relative to human capital

    d. Moving from helping management define the strategy to manage human capital to processing legal paperwork

ANSWER: c

21. Miguel, an HR Executive at Oyster Studios, is moving from an operational role in the HR department to an administrative role. Which of the following best describes the change in Miguel's role?

    a. Moving from processing legal paperwork to serving as a "champion" for employee concerns

    b. Moving from serving as "champion" for employee concerns to helping management define the strategy to manage human capital

    c. Moving from processing legal paperwork to helping management define the strategy to manage human capital

    d. Moving from serving as a "champion" for employee concerns to processing legal paperwork

ANSWER: d

22. Donna, an HR Manager at Loch Inc., is moving from a strategic role in the HR department to an operational role. Which of the following best describes the change in Donna's role?

    a. Moving from helping management define the strategy to manage human capital to serving as "champion" for employee concerns

    b. Moving from helping management define the strategy to manage human capital to processing legal paperwork

    c. Moving from processing legal paperwork to helping management define the strategy to manage human capital

    d. Moving from serving as "champion" for employee concerns to processing legal paperwork

Chapter 01 - Human Resource Management in Organizations

ANSWER: a

23. Sunny, an HR Executive at FlyHi Inc., is moving from a strategic role in the HR department to an administrative role. Which of the following best describes the change in Sunny's role?
    a. Moving from processing legal paperwork to serving as "champion" for employee concerns
    b. Moving from serving as "champion" for employee concerns to helping management define the strategy to manage human capital
    c. Moving from helping management define the strategy to manage human capital to serving as "champion" for employee concerns
    d. Moving from helping management define the strategy to manage human capital to processing legal paperwork

ANSWER: d

24. _____ is the process whereby new ideas are generated that create value for an organization.
    a. Onboarding
    b. Innovation
    c. Recruitment
    d. Benchmarking

ANSWER: b

25. Which of the following is a component of the equal employment opportunity (EEO) function of HR management?
    a. Recruiting
    b. Training
    c. Affirmative action
    d. Career planning

ANSWER: c

26. Which of the following is the primary advantage of outsourcing the HR administrative function?
    a. HR personnel will no longer need to serve as "champions" for employee issues and can focus on recordkeeping.
    b. HR personnel can learn specialized skills by training under outsourced vendors.
    c. Organizations will no longer need to internally define and implement business strategies relative to human capital.
    d. Organizations can save money on HR staffing.

ANSWER: d

27. Raul, an HR Manager at Endetech, is tasked with conducting workforce planning to anticipate the retirement of employees at various levels in the organization. In this scenario, Raul is responsible for fulfilling the _____ role of human resources.
    a. administrative
    b. operational
    c. employee advocate
    d. strategic

ANSWER: d

28. Jane, an HR Executive at YouBrain Consultants, is in charge of ensuring that all employees are treated equally

Chapter 01 - Human Resource Management in Organizations

regardless of their personal background. Jane is also required to ensure that the organization does not face lawsuits from employees. In this scenario, Jane is responsible for fulfilling the _____ role of human resources.
    a. administrative
    b. strategic
    c. employee advocate
    d. employee advisor
ANSWER: c

29. The gig economy is an economy where:
    a. most work is performed by a group of shareholders rather than paid employees.
    b. work is carried out by a group of young workers who identify themselves as Generation Y workers.
    c. most work is performed by freelance workers rather than full-time employees.
    d. work is divided into stages and each stage is completed by different core teams.
ANSWER: c

30. Which of the following is an approach used by organizations to improve workforce skills?
    a. Providing retention bonuses to employees
    b. Creating apprenticeship programs
    c. Increasing ethnic diversity at the workplace
    d. Providing workplace flexibility
ANSWER: b

31. Janet, a new employee at Nalpot Inc., expects employers to utilize social media platforms as the primary communication method. Janet most likely belongs to a group of workers called _____.
    a. gig workers
    b. temporary workers
    c. Generation Z
    d. Generation X
ANSWER: c

32. In the context of organizations that have a global presence, which of the following statements is true?
    a. Companies feel they do not communicate their strategy clearly, finding it difficult to be flexible as they expand to other markets.
    b. Companies find it difficult to adapt to globalization as it involves shifting from integrating global operations to trade and investment.
    c. Sharing the cost of distant centers decreases the expense of local operations.
    d. Emerging market opportunities expose companies to unfamiliar risks that may be difficult to analyze.
ANSWER: d

33. Which of the following is a disadvantage of an aging workforce in economically developed countries?
    a. Having to implement new benchmarking strategies
    b. Having to decrease the span of control
    c. Having to increase power distance
    d. Having to replace experience and talent

ANSWER: d

34. Which of the following is true of Generation Y workers in organizations?
    a. They include the set of workers born since the mid-1990s.
    b. They are expected to retire in the near future.
    c. They are expected to represent 25 percent of the workforce by the year 2025.
    d. They value jobs that allow them to make a social impact.
ANSWER: d

35. Which of the following is true of a Human Resource Information System (HRIS)?
    a. It became extinct after the 1960s.
    b. It allowed HR to run its own reports and make changes without help from information technology staff.
    c. It functioned exclusively in the cloud and enabled self-service.
    d. It processed payroll, tracked employees and their benefits, and produced reports for HR managers.
ANSWER: d

36. Which of the following statements is true of PeopleSoft?
    a. It was popular until the 1970s.
    b. It allowed HR to run its own reports and make changes without help from information technology professionals.
    c. It functioned exclusively in the cloud and allowed self-service.
    d. It was used to ensure privacy of organizational data and provided security from third-party applications.
ANSWER: b

37. Which of the following is true of software as a service (SaaS)?
    a. It functions in a vendor's data center and allows self-service.
    b. It is software that allows HR to run its own reports and make changes with help from information technology staff.
    c. It is software that functions exclusively in the cloud.
    d. It requires firms to buy licenses rather than merely renting software packages from vendors.
ANSWER: a

38. Which of the following is a difference between a Human Resource Information System (HRIS) and PeopleSoft?
    a. PeopleSoft was popular in the 1970s, whereas HRISs gained popularity after 1989.
    b. PeopleSoft did not allow HR to run its own reports, whereas HRISs allowed it.
    c. HRISs were run by information technology staff, whereas PeopleSoft allowed HR to run its own reports.
    d. HRISs functioned exclusively in the cloud, whereas PeopleSoft functioned in vendors' data centers.
ANSWER: c

39. Which of the following is the difference between a Human Resource Information System (HRIS) and software as a service (SaaS)?
    a. HRISs enable firms to rent software packages from vendors, whereas SaaS requires firms to buy licenses.
    b. HRISs allowed HR to run its own reports, while SaaS functioned in vendors' data centers.
    c. SaaS was popular in the 1970s, whereas HRISs gained popularity after 1989.