

Chapter 1 The Strategic Role of Human Resources Management

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

Answer: C

Diff: 1 Type: MC Page Ref: 2

Topic: The Strategic Role of Human Resources Management

Skill: Recall

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

Answer: B

Diff: 1 Type: MC Page Ref: 2

Topic: The Strategic Role of Human Resources Management

Skill: Recall

- 3) A company uses a system to measure the impact of human resources using complimentary measures relating to financial results, customers, internal business processes, and human capital management. This system is known as the
- A) HRIS.
 - B) balanced scorecard.
 - C) Human Capital Index.
 - D) balanced strategy.
 - E) human capital competency.

Answer: B

Diff: 3 Type: MC Page Ref: 10

Topic: Measuring the Value of HR: Metrics

Skill: Applied

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

- A) employee recognition programs celebrated monthly.
- B) diversity programs particularly for younger employees.
- C) opportunities for growth, development, and advancement.
- D) job design indicators to measure daily performance.
- E) social activities to enhance employee relations.

Answer: C

Diff: 2 Type: MC Page Ref: 7

Topic: Human Resources Manager's Duties

Skill: Applied

5) Melanie organizes training for employees. She compared data on the volume of repeat customer orders before and after the sales team completed a customer relations program to evaluate the effectiveness of the program. What did Melanie collect to complete her evaluation?

- A) Metrics
- B) Evidence
- C) Facts
- D) Objectives
- E) Outcomes

Answer: A

Diff: 2 Type: MC Page Ref: 10

Topic: Measuring the Value of HR: Metrics

Skill: Applied

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

- A) Offering advice
- B) Formulating policies and procedures
- C) Providing services
- D) Serving as a consultant
- E) Serving as a change agent

Answer: A

Diff: 3 Type: MC Page Ref: 5

Topic: The Human Resources Movement: Concern for People and Productivity

Skill: Applied

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

- A) payroll and benefits administration.
- B) outsourcing.
- C) labour-management relations.
- D) contract administration.
- E) hiring temporary employees.

Answer: B

Diff: 1 Type: MC Page Ref: 4

Topic: The Human Resources Movement: Concern for People and Productivity

Skill: Recall

8) The company's plan for how it will balance its internal strengths and weaknesses with external opportunities and threats to maintain a competitive advantage is known as

- A) objectives.
- B) environmental scanning.
- C) strategy.
- D) policies and procedures.
- E) SWOT.

Answer: C

Diff: 1 Type: MC Page Ref: 8

Topic: Human Resource Manager's Duties

Skill: Recall

9) Rita is the HR Director of a manufacturing company. She recently undertook research to identify competitor compensation and incentive plans, information about pending legislative changes, and availability of talent in the labour market for the upcoming strategic planning meeting. Rita was conducting

- A) an employee engagement survey.
- B) an external opportunities/threats study.
- C) environmental scanning.
- D) an external market survey.
- E) an environmental study.

Answer: C

Diff: 3 Type: MC Page Ref: 8

Topic: Human Resource Manager's Duties

Skill: Applied

10) The core values, beliefs, and norms that are widely shared by members of an organization are known as

- A) the strategic plan.
- B) the mission statement.
- C) organizational culture.
- D) organizational climate.
- E) the pervading atmosphere.

Answer: C

Diff: 2 Type: MC Page Ref: 15

Topic: Environmental Influences On HRM

Skill: Recall

11) As the HR consultant of a newly formed company, Arun has planned a presentation for the line managers on organizational culture and the purpose it serves. Which of the following points would Arun have included in his presentation?

- A) Increasing training levels
- B) Fostering employee loyalty and commitment
- C) Fostering employee loyalty and commitment and providing employees with a sense of direction
- D) Succession planning
- E) Creating a more worldly atmosphere

Answer: C

Diff: 3 Type: MC Page Ref: 17

Topic: Environmental Influences On HRM

Skill: Applied

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

- A) performance appraisals.
- B) the mission statement.
- C) myths about the organization.
- D) organizational climate.
- E) corporate culture.

Answer: D

Diff: 1 Type: MC Page Ref: 20

Topic: Internal Environment Influences

Skill: Recall

13) Revlex Inc. has decided to allow its front line workers to make decisions regarding the ordering of certain supplies that were formerly made by managers. This initiative is an example of

- A) workplace incentives.
- B) a change in organizational climate.
- C) job restructuring.
- D) employee empowerment.
- E) management development.

Answer: D

Diff: 2 Type: MC Page Ref: 20

Topic: Internal Environment Influences

Skill: Applied

14) Joe Brown was hired by a manufacturing firm as a supervisor. During his first few weeks as a supervisor, he realized that employees who report to him expect a lot of direction and expect him to make all decisions. Joe Brown decided to train his employees to take on additional responsibilities and make decisions within a specific scope. Joe Brown is

- A) outsourcing his staff.
- B) narrowing his staff.
- C) embracing his staff.
- D) empowering his staff.
- E) rewarding his staff.

Answer: D

Diff: 3 Type: MC Page Ref: 20

Topic: Internal Environment Influences

Skill: Applied

15) Economic downturns are generally associated with

- A) high turnover.
- B) lower unemployment rates.
- C) skills shortages.
- D) an overwhelming number of job applicants for vacancies.
- E) more competition for qualified employees.

Answer: D

Diff: 2 Type: MC Page Ref: 15

Topic: Environmental Influences On HRM

Skill: Recall

16) John calculates that his 15 sales people cost the company \$1.5M in salaries and they generate \$30M in sales. What has John calculated?

- A) The labour market
- B) The supply and demand equation
- C) Competitive ability
- D) The equity ratio
- E) Productivity

Answer: E

Diff: 2 Type: MC Page Ref: 15

Topic: Environmental Influences On HRM

Skill: Applied

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

- A) Increasing empowerment
- B) Decreasing work force diversity
- C) Labour market issues
- D) Organizational climate
- E) Organizational culture

Answer: C

Diff: 2 Type: MC Page Ref: 16

Topic: External Environmental Influences

Skill: Applied

18) When unemployment rates fall,

- A) there is a greater demand for services.
- B) training and retention strategies increase in importance.
- C) unions are more likely to organize workers.
- D) qualified workers become more loyal.
- E) salaries become stagnant.

Answer: B

Diff: 2 Type: MC Page Ref: 15

Topic: External Environmental Influences

Skill: Applied

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

- A) Develop a retention plan
- B) Outsource the underwriting function
- C) Increase the workload of staff
- D) Use contingent employees
- E) Do nothing about the situation

Answer: D

Diff: 3 Type: MC Page Ref: 18

Topic: External Environmental Influences

Skill: Applied

20) The characteristics of the work force such as race, gender, and age are known as

- A) organizational climate.
- B) population trends.
- C) diversity.
- D) customs and norms.
- E) demographics.

Answer: E

Diff: 1 Type: MC Page Ref: 12

Topic: External Environmental Influences

Skill: Recall

21) Which generation is both optimistic and team oriented?

- A) Traditionalists
- B) Grey
- C) Generation X-ers
- D) Baby boomers
- E) Generation Y-ers

Answer: D

Diff: 2 Type: MC Page Ref: 17

Topic: External Environmental Influences

Skill: Recall

22) Any attribute that humans are likely to use to tell themselves "that person is different from me," including factors such as race, gender, age, values, and cultural norms, is known as

- A) differences.
- B) characteristics.
- C) perceptions.
- D) minorities.
- E) diversity.

Answer: E

Diff: 1 Type: MC Page Ref: 16

Topic: External Environmental Influences

Skill: Recall

23) Baby boomers

- A) will increase rapidly in number over the next few decades.
- B) were born between 1946 and 1964.
- C) resulted in a focus on recruitment and selection in organizations in the past.
- D) have very high fertility rates.
- E) are currently causing a great deal of competition for advancement.

Answer: B

Diff: 1 Type: MC Page Ref: 17

Topic: External Environmental Influences

Skill: Recall

24) One characteristic of Generation X employees is

- A) mastery of technology.
- B) eagerness to make a contribution.
- C) a sense of security linked to corporate loyalty.
- D) an orientation towards action.
- E) results driven.

Answer: E

Diff: 3 Type: MC Page Ref: 17

Topic: External Environmental Influences

Skill: Recall

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

- A) Continuous skill development
- B) Projects that require multitasking
- C) Challenging work requiring creativity
- D) Eldercare benefits
- E) Flexible work arrangements

Answer: C

Diff: 3 Type: MC Page Ref: 17

Topic: External Environmental Influences

Skill: Applied

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

- A) Independent work
- B) Job security
- C) Onsite gym facilities
- D) Pension benefits
- E) Flexible work arrangements

Answer: D

Diff: 3 Type: MC Page Ref: 17

Topic: External Environmental Influences

Skill: Applied

27) Canadians who are functionally illiterate are

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

Answer: E

Diff: 2 Type: MC Page Ref: 16

Topic: External Environmental Influences

Skill: Applied

28) The service sector represents what percent of jobs, dominating the Canadian economy?

- A) 47
- B) 57
- C) 67
- D) 77
- E) 87

Answer: D

Diff: 1 Type: MC Page Ref: 16

Topic: External Environmental Influences

Skill: Recall

29) What percentage of Canada's population has some post-secondary education?

- A) 34
- B) 44
- C) 54
- D) 64
- E) 74

Answer: C

Diff: 1 Type: MC Page Ref: 16

Topic: External Environmental Influences

Skill: Recall

- 30) Technological advances in manufacturing have
- A) enabled people to work anywhere and everywhere.
 - B) decreased the importance of white-collar jobs.
 - C) resulted in a decline in the impact of workforce diversity.
 - D) had little impact on service-sector firms.
 - E) led to significant increases in the employment of persons with disabilities.

Answer: A

Diff: 2 Type: MC Page Ref: 18

Topic: External Environmental Influences

Skill: Recall

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

- A) data control, accuracy, right to privacy, and ethics
- B) employee stress levels
- C) job satisfaction
- D) privacy and social responsibility
- E) speed, accuracy, and efficiency

Answer: A

Diff: 2 Type: MC Page Ref: 18

Topic: External Environmental Influences

Skill: Recall

- 32) You are the Director of Human Resources at a real estate development company based in Toronto. To attract and retain employees born after 1980, which of the following would you implement?

- A) A comprehensive pension plan
- B) Work flexibility
- C) Greater job security
- D) An environmental stewardship program
- E) More opportunity to work independently

Answer: D

Diff: 3 Type: MC Page Ref: 17

Topic: External Environmental Influences

Skill: Applied

- 33) You are the HR generalist of a national railway. Which employment legislation would you refer to when it comes to employee relations issues within the organization?

- A) Provincial/territorial
- B) Provincial
- C) Territorial
- D) Federal
- E) None of the above

Answer: D

Diff: 3 Type: MC Page Ref: 18

Topic: External Environmental Influences

Skill: Applied

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

- A) The Canada Labour Code
- B) Employment equity legislation
- C) Employment insurance and the Canada/Quebec Pension Plan
- D) Employment insurance and employment legislation
- E) Employment insurance and human rights legislation

Answer: C

Diff: 2 Type: MC Page Ref: 19

Topic: External Environmental Influences

Skill: Recall

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

- A) cultural diversity.
- B) globalization.
- C) international marketing.
- D) product diversification.
- E) domestication.

Answer: B

Diff: 1 Type: MC Page Ref: 19

Topic: External Environmental Influences

Skill: Recall

36) The globalization of markets and manufacturing has vastly increased

- A) employee turnover.
- B) the quality of products and services.
- C) standardization practices.
- D) the prices of products and services.
- E) international competition.

Answer: E

Diff: 2 Type: MC Page Ref: 19

Topic: External Environmental Influences

Skill: Applied

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

- A) the human relations movement.
- B) scientific management.
- C) the scientific movement.
- D) the human resources movement.
- E) none of the above.

Answer: B

Diff: 1 Type: MC Page Ref: 3

Topic: A Brief History of HRM

Skill: Recall

38) Which of the following was emphasized in Frederick Taylor's theory on HRM?

- A) Empowerment of employees
- B) Cross-functional cooperation
- C) Compensation tied to performance
- D) Work conditions
- E) Job rotation

Answer: C

Diff: 3 Type: MC Page Ref: 3

Topic: A Brief History of HRM

Skill: Recall

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

- A) self-management.
- B) workplace harmony.
- C) higher wages.
- D) empowerment.
- E) task simplification and performance-based pay.

Answer: E

Diff: 2 Type: MC Page Ref: 3

Topic: A Brief History of HRM

Skill: Recall

40) Mary Parker Follett was a

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

Answer: A

Diff: 2 Type: MC Page Ref: 3

Topic: A Brief History of HRM

Skill: Applied

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

- A) socialism.
- B) scientific management.
- C) the human resources movement.
- D) the human relations movement.
- E) psychology.

Answer: D

Diff: 1 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Recall

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

- A) Hiring and firing employees
- B) Environmental scanning
- C) Coaching and mentoring
- D) Being part of the strategy planning discussions
- E) Handling union-management relations

Answer: A

Diff: 3 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Recall

43) In the early 1900s, personnel administration, as it was called then,

- A) focused on trying to improve the human element in organizations.
- B) served a key advisory role in organizations.
- C) was closely tied to union-management relations.
- D) was highly influenced by laws and regulations.
- E) played a very minor role in organizations.

Answer: E

Diff: 2 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Recall

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

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

Answer: B

Diff: 3 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Applied

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

- A) Handling orientation and performance appraisals
- B) Running the payroll department
- C) Hiring and firing
- D) Focusing on proactive management
- E) Administering benefits

Answer: A

Diff: 3 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Applied

- 46) The third major phase in personnel management was a direct result of
- A) the increasing amount of government legislation.
 - B) the impact of the human relations movement.
 - C) a desire for professionalism.
 - D) government intervention following the depression of the 1930s.
 - E) an increase in unionizing activities.

Answer: A

Diff: 2 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Recall

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

Answer: C

Diff: 2 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Applied

- 48) The fourth phase of HRM is ongoing. Current management thinking holds that
- A) the goals and aims of management must be achieved at all costs.
 - B) employees are motivated primarily by compensation and benefits.
 - C) social influences are no longer important to most employees.
 - D) employees are quite similar in terms of the rewards they seek.
 - E) all potential managers must be aware of the basics of HR.

Answer: E

Diff: 2 Type: MC Page Ref: 4

Topic: A Brief History of HRM

Skill: Recall

- 49) What term describes the right to make decisions, direct others' work, and give orders?
- A) Management
 - B) Responsibility
 - C) Obligation
 - D) Power
 - E) Authority

Answer: E

Diff: 2 Type: MC Page Ref: 6

Topic: A Brief History of HRM

Skill: Recall

50) How many levels of certification are there in Canada?

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

Answer: C

Diff: 2 Type: MC Page Ref: 11

Topic: Growing Professionalism in HRM

Skill: Recall

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

- A) Canadian Management Association.
- B) Canadian Council of Human Resources Associations.
- C) Society for Human Resource Management.
- D) Human Resources Professionals Association of Ontario.
- E) International Personnel Management Association-Canada.

Answer: B

Diff: 2 Type: MC Page Ref: 11

Topic: Growing Professionalism in HRM

Skill: Recall

52) Shiela is an HR manager and advises the sales manager on how to recognize candidates with good attitudes during the interview process. What type of manager is Shiela?

- A) General manager
- B) Supervisor
- C) Line manager
- D) Staff manager
- E) Administrative manager

Answer: D

Diff: 2 Type: MC Page Ref: 6

Topic: Growing Professionalism in HRM

Skill: Recall

53) HRM involves formulating and implementing HRM systems that are aligned with the organization's strategy to ensure the workforce has competencies and behaviours required to achieve the organization's strategic objectives.

Answer: TRUE

Diff: 1 Type: TF Page Ref: 2

Topic: The Strategic Role of Human Resources Management

Skill: Recall

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

Answer: TRUE

Diff: 3 Type: TF Page Ref: 3

Topic: A Brief History of HRM

Skill: Applied

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

Answer: TRUE

Diff: 3 Type: TF Page Ref: 7

Topic: The Strategic Role of Human Resources Management

Skill: Applied

56) HRM professionals must abide by a uniform code of ethics to maintain professional status.

Answer: TRUE

Diff: 2 Type: TF Page Ref: 13

Topic: Growing Professionalism in HRM

Skill: Recall

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

Answer: TRUE

Diff: 2 Type: TF Page Ref: 8

Topic: Human Resource Manager's Duties

Skill: Recall

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

Answer: FALSE

Diff: 2 Type: TF Page Ref: 16

Topic: Environmental Influences On HRM

Skill: Applied

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

Answer: TRUE

Diff: 2 Type: TF Page Ref: 6

Topic: Human Resource Manager's Duties

Skill: Recall

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

Answer: TRUE

Diff: 2 Type: TF Page Ref: 15

Topic: Environmental Influences On HRM

Skill: Applied

61) Productivity measures the amount of good produced from one year to the next.

Answer: FALSE

Diff: 3 Type: TF Page Ref: 15

Topic: Environmental Influences On HRM

Skill: Applied

62) The tertiary sector includes jobs in agriculture, fishing and trapping, forestry, and mining.

Answer: FALSE

Diff: 2 Type: TF Page Ref: 16

Topic: Environmental Influences On HRM

Skill: Applied

63) Define and briefly describe the term "human resources management."

Answer: Five points recommended: 2 for a definition that is close to the textbook ("management of people in organizations") and 3 for being able to identify something close to "formulating and implementing HRM systems (such as recruitment, performance appraisal, and compensation) that are aligned with the organization's strategy..."

Diff: 2 Type: ES Page Ref: 1

Topic: The Strategic Role of Human Resources Management

Skill: Applied

64) We are currently in "Phase 4" of the human resources movement where HR has evolved towards helping the organization to achieve its strategic objectives. HR activities are the responsibility of every line manager, not just HR managers. Identify at least three HR responsibilities in non-HR roles.

Answer: Identify non-HR positions in companies and the HR responsibilities those positions have. For example, chief executives are responsible for approving HR plans, and activities, selection of directors and high-level stage, and the establishment of major departments; General and operations managers determine staffing requirements, hire new employees, and train them.

Diff: 2 Type: ES Page Ref: 5

Topic: Provides Support and Expertise to Managers and Supervisors with Respect to Managing People

Skill: Applied

65) The condition of the labour market is a key environmental influence on human resources management in any organization. With the end of mandatory retirement in most Canadian jurisdictions, there are employees from all four of the demographic groups in the workforce. Identify and briefly describe each of the four demographic groups, then describe two challenges posed by the differences between the demographic groups in the workplace.

Answer: For the first 8 points of this 10 point question, identify each of the groups (Traditionalists, Baby Boomers, Generation X, and Generation Y) and one or two characteristics for each group. For the last 2 points, the student should express how the attitudes/values/expectations/differences may create issues in the workplace. See Table 1.4 on page 17.

Diff: 3 Type: ES Page Ref: 17

Topic: External Environmental Influences

Skill: Applied