

Management of Human Resources, 5e (Dessler et al.)

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 Page Ref: 2

Skill: Recall

Objective: LO-1 Define human resources management and analyze the strategic significance of human resources management.

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 Page Ref: 2

Skill: Recall

Objective: LO-1 Define human resources management and analyze the strategic significance of human resources management.

3) A company uses a system to measure the impact of human resources which balances measures relating to financial results, customers, internal business processes, and human capital management. This system is known as the HRIS.

- A) balanced scorecard
- B) Human Capital Index
- C) balanced strategy
- D) none of the above
- E) all of the above

Answer: A

Diff: 3 Page Ref: 8

Skill: Applied

Objective: LO-2 Describe the two categories of activities required of HR managers and discuss examples of each.

4) The emotional and intellectual involvement of employees in their work, and the intensity, focus, and involvement they bring to their jobs is known as

- A) employee recognition.
- B) workplace diversity.
- C) employee engagement.
- D) job design indicators.
- E) employee relations.

Answer: C

Diff: 2 Page Ref: 5

Skill: Applied

Objective: LO-5 Explain how HRM has changed over recent years to include a higher-level advisory role.

5) HR department staff members are traditionally involved in key operational responsibilities. Which of the following is an operational responsibility?

- A) analyzing metrics
- B) dealing with employees' administrative needs
- C) interpreting human right laws
- D) setting goals and objectives
- E) interpreting health and safety legislation

Answer: B

Diff: 2 Page Ref: 6

Skill: Applied

Objective: LO-2 Describe the two categories of activities required of HR managers and discuss examples of each.

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) environmental scanning
- B) formulating policies and procedures
- C) providing services
- D) serving as a consultant
- E) serving as a change agent

Answer: A

Diff: 3 Page Ref: 6

Skill: Applied

Objective: LO-5 Explain how HRM has changed over recent years to include a higher-level advisory role.

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 Page Ref: 6

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

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) HR strategy.
- B) environmental scanning.
- C) strategy.
- D) policies and procedures.
- E) none of the above.

Answer: C

Diff: 1 Page Ref: 6

Skill: Recall

Objective: LO-2 Describe the two categories of activities required of HR managers and discuss examples of each.

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) an environmental scan.
- D) an external market survey.
- E) an environmental study.

Answer: C

Diff: 3 Page Ref: 6

Skill: Applied

Objective: LO-2 Describe the two categories of activities required of HR managers and discuss examples of each.

10) The core values, beliefs, and assumptions 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 Page Ref: 16

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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: 2 Page Ref: 16

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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

- A) the need for performance appraisals.
- B) the importance of having a mission statement.
- C) a myth about organizations.
- D) organizational climate.
- E) the need for a corporate culture.

Answer: D

Diff: 1 Page Ref: 16

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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 Page Ref: 17

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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 do all of the decision making. 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) reducing his staff.
- C) embracing his staff.
- D) empowering his staff.
- E) none of the above.

Answer: D

Diff: 3 Page Ref: 17

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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 Page Ref: 12

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

16) The ratio of an organization's outputs to its inputs is known as

- A) the labour market.
- B) the supply and demand equation.
- C) competitive ability.
- D) the equity ratio.
- E) productivity.

Answer: E

Diff: 2 Page Ref: 12

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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

- A) increasing empowerment
- B) decreasing workforce diversity
- C) labour market conditions
- D) organizational climate
- E) organizational culture

Answer: C

Diff: 2 Page Ref: 12

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

18) The ratio of an organization's outputs, such as goods, to its inputs, such as capital, is which of the following?

- A) outsourcing
- B) workforce diversity
- C) the labour market
- D) productivity
- E) an internal environmental influence

Answer: D

Diff: 1 Page Ref: 12

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

19) When unemployment rates fall

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

Answer: B

Diff: 2 Page Ref: 12

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

20) 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 Page Ref: 13

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

21) The characteristics of the workforce are known as

- A) organizational climate.
- B) population trends.
- C) diversity.
- D) unionization.
- E) demographics.

Answer: E

Diff: 1 Page Ref: 12

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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 Page Ref: 12

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

23) Baby boomers

- A) were born between 1981 and 2000.
- B) were born between 1946 and 1965.
- 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: 2 Page Ref: 13

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

24) Gen Xers

- A) are risk averse.
- B) were born between 1965 and 1980.
- C) have a sense of security linked to corporate loyalty.
- D) will increase rapidly in number over the next few decades.
- E) were born between 1981 and 2000.

Answer: B

Diff: 3 Page Ref: 13

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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 challenged?

- A) continuous skill development
- B) job security
- C) empowerment and challenging work
- D) eldercare benefits
- E) flexible work arrangements

Answer: C

Diff: 3 Page Ref: 17

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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) eldercare and pension benefits
- E) flexible work arrangements

Answer: D

Diff: 3 Page Ref: 13

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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 workforce.
- D) able to perform routine technical tasks without assistance.
- E) exacting a toll on organizations' productivity levels.

Answer: E

Diff: 2 Page Ref: 13

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

28) Which of the following statements is TRUE?

- A) Ethnic diversity is starting to level off in Canada.
- B) Canada's workforce is among the most ethnically diverse in the world.
- C) The majority of Canadians are of French or British origin.
- D) Most visible and ethnic-minority Canadians are professionals.
- E) The proportion of visible and ethnic minorities entering the Canadian labour market peaked in the mid-1990s and is gradually decreasing.

Answer: B

Diff: 2 Page Ref: 12

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

29) Technological advances have

- A) resulted in outsourcing operational HR activities.
- 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 Page Ref: 6

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

30) 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 Page Ref: 15

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

31) 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 Page Ref: 15

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

32) 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 Page Ref: 15

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

33) 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 Page Ref: 15

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

34) 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 Page Ref: 15

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

35) 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 Page Ref: 3

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

36) 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 Page Ref: 4

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

37) 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 Page Ref: 3

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

- 38) 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 subservient role in organizations.

Answer: E

Diff: 2 Page Ref: 3

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

- 39) 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 Page Ref: 3

Skill: Applied

Objective: LO-4 Describe the three stages in the evolution of HRM.

- 40) 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 Page Ref: 3

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

- 41) The current 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) employees are often the firm's best competitive advantage.

Answer: E

Diff: 2 Page Ref: 4

Skill: Recall

Objective: LO-4 Describe the three stages in the evolution of HRM.

42) The broad objectives of HR associations across the country include

- A) skills updating.
- B) assisting in the provision of training in the field of HR.
- C) serving as a voice for HR practitioners.
- D) providing opportunities for information exchange.
- E) all of the above.

Answer: E

Diff: 2 Page Ref: 9-10

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

43) 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 Page Ref: 9

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

44) Developing a reputation as an environmental leader and demonstrating corporate social responsibility

- A) is part of every organization's mission statement.
- B) is not supported by shareholders in for-profit enterprises.
- C) is only common in not-for-profit enterprises.
- D) helps organizations to gain market share and retain employees.
- E) is a key responsibility of the human resources leader.

Answer: D

Diff: 2 Page Ref: 10

Skill: Recall

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

45) The goal of HRM is to align people practices with organizational strategy to produce behaviours required to achieve organizational goals.

Answer: TRUE

Diff: 2 Page Ref: 2

Skill: Recall

Objective: LO-1 Define human resources management and analyze the strategic significance of human resources management.

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

Answer: TRUE

Diff: 3 Page Ref: 6

Skill: Applied

Objective: LO-2 Describe the two categories of activities required of HR managers and discuss examples of each.

47) 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: 5 Page Ref: 6

Skill: Applied

Objective: LO-1 Define human resources management and analyze the strategic significance of human resources management.

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

Answer: FALSE

Diff: 2 Page Ref: 7

Skill: Applied

Objective: LO-1 Define human resources management and analyze the strategic significance of human resources management.

49) 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 Page Ref: 6

Skill: Recall

Objective: LO-5 Explain how HRM has changed over recent years to include a higher-level advisory role.

50) 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 Page Ref: 12

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.

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

Answer: TRUE

Diff: 2 Page Ref: 5

Skill: Recall

Objective: LO-5 Explain how HRM has changed over recent years to include a higher-level advisory role.

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

Answer: TRUE

Diff: 2 Page Ref: 5

Skill: Applied

Objective: LO-5 Explain how HRM has changed over recent years to include a higher-level advisory role.

53) 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 Page Ref: 2

Skill: Applied

Objective: LO-1 Define human resources management and analyze the strategic significance of human resources management.

54) HR has evolved towards helping the organization to achieve its strategic objectives. There are five critical pieces of knowledge that are part of HR professionalism. Identify and describe in detail two of these HR competencies.

Answer: Some detailed and accurate description of two of credible activist, culture and change steward, talent manager and organizational designer, strategy architect, operational executor, and business ally.

Diff: 2 Page Ref: 5-8

Skill: Recall

Objective: LO-5 Explain how HRM has changed over recent years to include a higher-level advisory role.

55) 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 13.

Diff: 3 Page Ref: 13

Skill: Applied

Objective: LO-3 Discuss the internal and external environmental factors affecting human resources management policies and practices and explain their impact.