Chapter 2: The Role of Human Resource Management in Business

TRUE/FALSE

1. Marriott has built a strong "Spirit to Serve" culture that emphasizes the importance of the company's people and the value they bring to the organization.

   ANS: T   PTS: 1   DIF: Difficulty: Easy
   REF: p. 33   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Real World Challenge   KEY: Bloom's: Knowledge

2. Some industries and businesses are more dependent on their talent to create a competitive advantage.

   ANS: T   PTS: 1   DIF: Difficulty: Easy
   REF: p. 34   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Introduction   KEY: Bloom's: Knowledge

3. It would never be appropriate for the culture of a company to be compared to a person's personality.

   ANS: F   PTS: 1   DIF: Difficulty: Moderate
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

4. The culture of a company could be compared to a person's personality.

   ANS: T   PTS: 1   DIF: Difficulty: Easy
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

5. Business strategies can be reinforced or undermined by their fit with the firm's culture.

   ANS: T   PTS: 1   DIF: Difficulty: Easy
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

6. Performance culture focuses on firing, driving forces, motivating, and making work assignments based on goals and results.

   ANS: T   PTS: 1   DIF: Difficulty: Easy
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

7. Culture and HRM work together to influence employees' performance and behaviors.

   ANS: T   PTS: 1   DIF: Difficulty: Easy
   REF: p. 36   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

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8. HRM is a casual approach to an organization's expectations and guidelines for employees.

   ANS: F   PTS: 1   DIF: Difficulty: Moderate
   REF: p. 36   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

9. Culture and HRM work together to influence employees' performance and behaviors.

   ANS: T   PTS: 1   DIF: Difficulty: Easy
   REF: p. 36   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

10. A study of new accounting employees found that new hires stayed an average of 14 months longer in companies with people-oriented cultures.

    ANS: T   PTS: 1   DIF: Difficulty: Easy
    REF: p. 37   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
    TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

11. Employees in a high-involvement organization feel responsible for its success because they know more, do more, and contribute more.

    ANS: T   PTS: 1   DIF: Difficulty: Easy
    REF: p. 37   OBJ: LO: 2-2   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in High-Performance Work Systems   KEY: Bloom's: Knowledge

12. HPWSs require a heavy investment in employees that applies whether or not the firm can attract and retain quality people.

    ANS: F   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 41   OBJ: LO: 2-2   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in High-Performance Work Systems   KEY: Bloom's: Knowledge

13. Ethics is the standards of moral behavior that define socially acceptable behaviors that are right as opposed to wrong.

    ANS: T   PTS: 1   DIF: Difficulty: Easy
    REF: p. 41   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

14. It is important to remember that "unethical" is the same as "illegal."

    ANS: F   PTS: 1   DIF: Difficulty: Easy
    REF: p. 41   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

15. Ethical Values + Clear Expectations + Rewards/Punishments = Ethical Employee.

    ANS: T   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

16. The challenge of managing workplace ethics is simplified by the diverse values of today's global workforce.

    ANS: F   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

17. A code of conduct specifies expected and prohibited actions in the workplace and gives examples of appropriate behavior.

    ANS: T   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 44   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

18. A code of ethics is a decision-making guide that describes the highest values to which an organization aspires.

    ANS: T   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 44   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

19. Corporate social responsibility refers to a business showing concern for the common good and valuing human dignity.

    ANS: T   PTS: 1   DIF: Difficulty: Easy
    REF: p. 46   OBJ: LO: 2-4   NAT: BUSPROG: Analytic
    TOP: HRM Influence on Corporate Social Responsibility   KEY: Bloom's: Knowledge

20. Stakeholder perspective refers to considering the interests and opinions of all people, groups, and organizations outside of the organization.

    ANS: F   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 44   OBJ: LO: 2-4   NAT: BUSPROG: Analytic
    TOP: HRM Influence on Corporate Social Responsibility   KEY: Bloom's: Knowledge

21. Socially responsible business practices are becoming a core part of how many organizations do business.

    ANS: T   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 44   OBJ: LO: 2-4   NAT: BUSPROG: Analytic
    TOP: HRM Influence on Corporate Social Responsibility   KEY: Bloom's: Knowledge

22. Often, two of the largest changes in an organization are the change to organizational culture and the installation of new employee behaviors.

ANS: T PTS: 1 DIF: Difficulty: Moderate
REF: p. 49 OBJ: LO: 2-5 NAT: BUSPROG: Analytic
TOP: How Does HRM Support Organizational Change? KEY: Bloom's: Knowledge

23. Most employees are likely to have the willingness and the ability to easily support a new strategy.

ANS: F PTS: 1 DIF: Difficulty: Moderate
REF: p. 49 OBJ: LO: 2-5 NAT: BUSPROG: Analytic
TOP: How Does HRM Support Organizational Change? KEY: Bloom's: Knowledge

24. Effective talent planning is essential to the success of a merger or acquisition.

ANS: T PTS: 1 DIF: Difficulty: Easy
REF: p. 50 OBJ: LO: 2-6 NAT: BUSPROG: Analytic
TOP: HRM During Mergers and Acquisitions KEY: Bloom's: Knowledge

25. Communication is not a critical issue in the success of a merger or acquisition.

ANS: F PTS: 1 DIF: Difficulty: Easy
REF: p. 52 OBJ: LO: 2-6 NAT: BUSPROG: Analytic
TOP: HRM During Mergers and Acquisitions KEY: Bloom's: Knowledge

MULTIPLE CHOICE

1. Marriott International's _____culture focuses on executing fundamental ideals of service to associates, customers, and the community.
   a. service is fun   c. spirit to serve
   b. service is exciting   d. the spirit of the guest

   ANS: C PTS: 1 DIF: Difficulty: Easy
   REF: p. 33 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
   TOP: Real World Challenge KEY: Bloom's: Knowledge

2. _____believes that the difference between success and failure in a corporation very often can be traced to the talents of its people.
   a. Thomas Watson   c. Thomas Kinkaid
   b. John Watson   d. John Kinkaid

   ANS: A PTS: 1 DIF: Difficulty: Easy
   REF: p. 34 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
   TOP: Real World Challenge KEY: Bloom's: Knowledge

3. The market value of companies that use HRM best practices, including selective recruiting, training, and employment security, is more than _____ percent higher than that of firms that do not.
   a. 25
   b. 35
   c. 40
   d. 50

   ANS: D   PTS: 1   DIF: Difficulty: Easy
   REF: p. 34   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Real World Challenge   KEY: Bloom's: Knowledge

4. The norms, values, and assumptions of organizational members are called the organizational _____.
   a. strategy
   b. normalization
   c. culture
   d. approach

   ANS: C   PTS: 1   DIF: Difficulty: Moderate
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

5. "The way we see and do things around here" is often a casual way to define organizational _____.
   a. strategy
   b. normalization
   c. culture
   d. approach

   ANS: C   PTS: 1   DIF: Difficulty: Moderate
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

6. Business strategies can be reinforced or undermined by their fit with the firm's _____.
   a. strategy
   b. values
   c. culture
   d. approach

   ANS: C   PTS: 1   DIF: Difficulty: Moderate
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

7. What are the four broad types of organizational culture?
   a. Entrepreneurial, bureaucratic, consensual, competitive
   b. Administrative, bureaucratic, consensual, competitive
   c. Administrative, bureaucratic, consensual, directorial
   d. Entrepreneurial, bureaucratic, consensual, directorial

   ANS: A   PTS: 1   DIF: Difficulty: Moderate
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

8. Which type of culture emphasizes creativity, innovation, and risk taking?
   a. Entrepreneurial
   b. Bureaucratic
   c. Consensual
   d. Competitive

   ANS: A   PTS: 1   DIF: Difficulty: Moderate
   REF: p. 35   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
   TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

9. Which type of culture emphasizes formal structures and the correct implementation of organizational procedures, norms, and rules?
a. Entrepreneurial
b. Bureaucratic
c. Consensual
d. Competitive

ANS: B PTS: 1 DIF: Difficulty: Moderate
REF: p. 35 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
TOP: Why Is Organizational Culture Important? KEY: Bloom's: Knowledge

10. Which type of culture emphasizes loyalty and tradition, and encourages employees to stay with the organization for a long time?
a. Entrepreneurial
b. Bureaucratic
c. Consensual
d. Competitive

ANS: C PTS: 1 DIF: Difficulty: Moderate
REF: p. 35 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
TOP: Why Is Organizational Culture Important? KEY: Bloom's: Knowledge

11. Which type of culture emphasizes competitive advantage and market superiority?
a. Entrepreneurial
b. Bureaucratic
c. Consensual
d. Competitive

ANS: D PTS: 1 DIF: Difficulty: Moderate
REF: p. 35 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
TOP: Why Is Organizational Culture Important? KEY: Bloom's: Knowledge

12. Which type of culture focuses on hiring, retaining, developing, motivating, and making work assignments based on performance data and results?
a. Entrepreneurial
b. Performance
c. Consensual
d. Competitive

ANS: B PTS: 1 DIF: Difficulty: Moderate
REF: p. 35 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
TOP: Why Is Organizational Culture Important? KEY: Bloom's: Knowledge

13. Sports teams like the New York Yankees and Pittsburgh Steelers consistently excel because of their strong _____ culture.
a. entrepreneurial
b. performance
c. consensual
d. competitive

ANS: B PTS: 1 DIF: Difficulty: Moderate
REF: p. 35 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
TOP: Why Is Organizational Culture Important? KEY: Bloom's: Knowledge

14. Restaurants that schedule their highest performing servers to during the busiest shifts are focused on _____ culture.
a. entrepreneurial
b. performance
c. consensual
d. competitive

ANS: B PTS: 1 DIF: Difficulty: Moderate
REF: p. 35 OBJ: LO: 2-1 NAT: BUSPROG: Analytic
TOP: Why Is Organizational Culture Important? KEY: Bloom's: Knowledge

15. A study of new accounting employees found that new hires stayed an average of 14 months longer in companies with _____ cultures.
    a. entrepreneurial-oriented   c. people-oriented
    b. performance-oriented   d. competitive-oriented

    ANS: C   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 37   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
    TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

16. Starbucks is a good example of a(n) _____ culture.
    a. entrepreneurial-oriented   c. people-oriented
    b. performance-oriented   d. competitive-oriented

    ANS: C   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 37   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
    TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

17. A(n) _____ culture that stifled innovation and risk taking is thought to have contributed to Nokia's declining market share.
    a. entrepreneurial   c. bureaucratic
    b. performance   d. competitive

    ANS: C   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 37   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
    TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

18. An organizational _____ can have a strong influence on behavior when employees develop a shared interpretation of the organization's policies, practices, procedures, and goals and develop shared perceptions about which behaviors are expected and rewarded.
    a. strategy   c. culture
    b. values   d. approach

    ANS: C   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 37   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
    TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

19. How well people fit with an industry's and organization's _____ influences how satisfied they are with their careers.
    a. culture   c. values
    b. strategy   d. approach

    ANS: A   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 38   OBJ: LO: 2-1   NAT: BUSPROG: Analytic
    TOP: Why Is Organizational Culture Important?   KEY: Bloom's: Knowledge

20. The acronym "HPWS" stands for _____.
    a. high-performance work system   c. high-performance work strategy
    b. high-patented work system   d. high-patented work strategy

    ANS: A   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 39   OBJ: LO: 2-2   NAT: BUSPROG: Analytic
    TOP: What Is the Role of HRM in High-Performance Work Systems?
    KEY: Bloom's: Knowledge

21. A _____ is also known as a high-involvement or high-commitment organization.
    a. high-performance work system   c. high-performance work strategy
    b. high-patented work system   d. high-patented work strategy

    ANS: A   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 39   OBJ: LO: 2-2   NAT: BUSPROG: Analytic
    TOP: What Is the Role of HRM in High-Performance Work Systems?
    KEY: Bloom's: Knowledge

22. In a _____, workers are to a large degree self-controlled and self-managed.
    a. high-performance work system   c. high-performance work strategy
    b. high-patented work system   d. high-patented work strategy

    ANS: A   PTS: 1   DIF: Difficulty: Moderate
    REF: p. 39   OBJ: LO: 2-2   NAT: BUSPROG: Analytic
    TOP: What Is the Role of HRM in High-Performance Work Systems?
    KEY: Bloom's: Knowledge

23. The standards of moral behavior that define socially acceptable behaviors as right or wrong are known as _____.
    a. policy   c. laws
    b. ethics   d. strategies

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 41   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

24. News headlines often suggest that _____ behavior is more common than you might think.
    a. principled   c. ethical
    b. unethical   d. tactical

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 41   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

25. The challenge of managing workplace _____ is complicated by the diverse values of today's global workforce.
    a. policy   c. laws
    b. ethics   d. strategies

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 41   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

26. What is the ethical action that best balances good over harm by doing the most good or doing the least harm?
    a. Utilitarian standard
    b. Rights standard
    c. Fairness standard
    d. Common good standard

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

27. Which ethical action is the one that best respects and protects the moral rights of everyone affected by the action?
    a. Utilitarian standard
    b. Rights standard
    c. Fairness standard
    d. Common good standard

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

28. Which ethical action treats all people equally, or at least fairly, based on some defensible standard?
    a. Utilitarian standard
    b. Rights standard
    c. Fairness standard
    d. Common good standard

    ANS: C   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

29. Which ethical action shows respect and compassion for all others, especially the most vulnerable?
    a. Utilitarian standard
    b. Rights standard
    c. Fairness standard
    d. Common good standard

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

30. Which ethical action is consistent with certain ideal virtues including civility, compassion, benevolence, etc.?
    a. Utilitarian standard
    b. Rights standard
    c. Fairness standard
    d. Virtue standard

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

31. What are the three types of systemic errors organizations often make that undermine their ethics efforts?
    a. Omission, remission, commission
    c. Omission, remission, permission
    b. Mission, omission, remission
    d. Mission, remission, permission

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

32. _____ errors are a lack of written rules
    a. Omission
    c. Commission
    b. Remission
    d. Permission

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

33. _____ errors are the pressures to make unethical choices
    a. Omission
    c. Commission
    b. Remission
    d. Permission

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

34. _____ errors are the failure to follow sound, established operational and ethics practices.
    a. Omission
    c. Commission
    b. Remission
    d. Permission

    ANS: C   PTS: 1   DIF: Difficulty: Easy
    REF: p. 42   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

35. Pressure to meet unrealistic business objectives or deadlines cause people to compromise an organization's ethical standards_____ percent of the time.
    a. 69
    c. 48
    b. 57
    d. 36

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 43   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

36. What specifies expected and prohibited actions in the workplace and gives examples of appropriate behavior?
   a. Code of ethics   c. Social conduct
   b. Social ethics   d. Code of conduct

   ANS: D   PTS: 1   DIF: Difficulty: Easy
   REF: p. 44   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
   TOP: The Role of HRM in Corporate Ethics and Social Responsibility
   KEY: Bloom's: Knowledge

37. What is a decision-making guide that describes the highest values to which an organization aspires?
   a. Code of ethics   c. Social conduct
   b. Social ethics   d. Code of conduct

   ANS: A   PTS: 1   DIF: Difficulty: Easy
   REF: p. 44   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
   TOP: The Role of HRM in Corporate Ethics and Social Responsibility
   KEY: Bloom's: Knowledge

38. What is it called when businesses show concern for the common good and value human dignity?
   a. Corporate social responsibility   c. Corporate social accountability
   b. Community social responsibility   d. Community social accountability

   ANS: A   PTS: 1   DIF: Difficulty: Easy
   REF: p. 46   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
   TOP: The Role of HRM in Corporate Ethics and Social Responsibility
   KEY: Bloom's: Knowledge

39. Considering the interests and opinions of all people, groups, organizations, or systems that affect or could be affected by the organization's actions is called _____.
   a. corporate responsibility   c. corporate perspective
   b. stakeholder perspective   d. stakeholder accountability

   ANS: B   PTS: 1   DIF: Difficulty: Easy
   REF: p. 46   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
   TOP: The Role of HRM in Corporate Ethics and Social Responsibility
   KEY: Bloom's: Knowledge

40. The _____ puts responsibility above shareholder value or profitability.
   a. stakeholder perspective   c. corporate perspective
   b. corporate responsibility   d. stakeholder accountability

   ANS: A   PTS: 1   DIF: Difficulty: Easy
   REF: p. 46   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
   TOP: The Role of HRM in Corporate Ethics and Social Responsibility
   KEY: Bloom's: Knowledge

41. When organizations adopt _____, they develop a broader and longer term perspective in their decision making.
    a. a stakeholder perspective
    b. corporate responsibility
    c. corporate perspective
    d. stakeholder accountability

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 46   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

42. _____ is increasingly included as a factor in performance evaluations and merit pay increases.
    a. Corporate social responsibility
    b. Community social responsibility
    c. Corporate social accountability
    d. Community social accountability

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 47   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

43. Employee participation in _____initiatives can motivate employees and generate good ideas.
    a. community social responsibility
    b. corporate social responsibility
    c. corporate social accountability
    d. community social accountability

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 47   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

44. The International Organization for Standardization has created a variety of standards that help organizations meet their environmental and _____ objectives.
    a. stakeholder perspective
    b. social responsibility
    c. social perspective
    d. stakeholder responsibility

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 47   OBJ: LO: 2-3   NAT: BUSPROG: Analytic
    TOP: The Role of HRM in Corporate Ethics and Social Responsibility
    KEY: Bloom's: Knowledge

45. Depending on the nature of a _____, some employees are likely to lack the willingness or even ability to support a new strategy.
    a. strategic change
    b. strategic planning
    c. critical change
    d. critical planning

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 49   OBJ: LO: 2-5   NAT: BUSPROG: Analytic
    TOP: How Does HRM Support Organizational Change?   KEY: Bloom's: Knowledge

46. Rolling out a new benefits program is one of the most common _____ managed by HRM.
    a. strategies
    b. concepts
    c. theories
    d. changes

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 49   OBJ: LO: 2-5   NAT: BUSPROG: Analytic
    TOP: How Does HRM Support Organizational Change?   KEY: Bloom's: Knowledge

47. Involving employees in a _____ management effort can improve their commitment to the change.
    a. control
    b. concepts
    c. change
    d. culture

    ANS: C   PTS: 1   DIF: Difficulty: Easy
    REF: p. 49   OBJ: LO: 2-5   NAT: BUSPROG: Analytic
    TOP: How Does HRM Support Organizational Change?   KEY: Bloom's: Knowledge

48. Employees need to change their _____ for an organizational change effort to succeed.
    a. behaviors and conduct
    b. behaviors and goals
    c. objectives and goals
    d. objectives and conduct

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 49   OBJ: LO: 2-5   NAT: BUSPROG: Analytic
    TOP: How Does HRM Support Organizational Change?   KEY: Bloom's: Knowledge

49. One of the most important factors in successfully creating organizational change is the creation of a culture of _____.
    a. ethics
    b. trust
    c. performance
    d. diversity

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 50   OBJ: LO: 2-5   NAT: BUSPROG: Analytic
    TOP: How Does HRM Support Organizational Change?   KEY: Bloom's: Knowledge

50. _____ is the glue that keeps employees committed to the organization and focused on making the change effort successful.
    a. Ethics
    b. Performance
    c. Trust
    d. Diversity

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 50   OBJ: LO: 2-5   NAT: BUSPROG: Analytic
    TOP: How Does HRM Support Organizational Change?   KEY: Bloom's: Knowledge

51. One common stimulus to organizational _____ is a merger or acquisition.
    a. ethics
    b. performance
    c. trust
    d. change

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 50   OBJ: LO: 2-5   NAT: BUSPROG: Analytic
    TOP: How Does HRM Support Organizational Change?   KEY: Bloom's: Knowledge

52. As many as _____ percent of mergers fail to accomplish their objectives.
    a. 95   c. 75
    b. 85   d. 55

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 50   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

53. Effective _____ planning is essential to the success of a merger or acquisition.
    a. diversity   c. performance
    b. talent   d. succession

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 50   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

54. _____ issues are a frequent reason for derailed mergers.
    a. Ethics   c. Cultural
    b. Performance   d. Diversity

    ANS: C   PTS: 1   DIF: Difficulty: Easy
    REF: p. 51   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

55. HR managers assure that cultural issues are recognized and addressed before, during, and after the _____.
    a. planning   c. merger
    b. performance   d. training

    ANS: C   PTS: 1   DIF: Difficulty: Easy
    REF: p. 50   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

56. _____ have an enormous impact on the ultimate success or failure of a merger or acquisition.
    a. Employees   c. Changes
    b. Committees   d. Trainers

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 52   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

57. In some cases, companies are acquired because the acquiring company needs the _____of the other company.
    a. talent and skills   c. culture and diversity
    b. culture   d. diversity

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 52   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

58. What are the phases of a merger or acquisition?
    a. Post-combination, combination, and solidification and assessment
    b. Recombination, combination, and solidification and assessment
    c. Pre-combination, culture, and solidification and assessment
    d. Pre-combination, combination, and solidification and assessment

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 51   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

59. Number of employee absences / (average number of employees during the period × the number of workdays) is the _____.
    a. absence rate   c. customer service rating
    b. cost per hire   d. cost for absent customers

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Knowledge

60. Recruitment costs/(cost of compensation + benefits) is called the _____.
    a. absence rate   c. customer service ratings
    b. cost per hire   d. cost for absent customers

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

61. Average customer ratings of employee customer service performance is called _____.
    a. absence rate   c. customer service ratings
    b. cost per hire   d. cost for absent customers

    ANS: C   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

62. _____ is the level of employee satisfaction with the company.
    a. Performance   c. Innovation
    b. Engagement   d. Tenure

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

63. Percent of sales coming from products introduced in the last five years is called _____.
    a. performance   c. innovation
    b. engagement   d. tenure

    ANS: C   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

64. The average years of service at the organization is called _____.
   a. performance
   b. engagement
   c. innovation
   d. tenure

   ANS: D   PTS: 1   DIF: Difficulty: Easy
   REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
   TOP: HRM Metrics   KEY: Bloom's: Knowledge

65. The number of job offers accepted divided by the number of job offers extended is called the job offer _____ rate.
   a. acceptance
   b. engagement
   c. innovation
   d. tenure

   ANS: A   PTS: 1   DIF: Difficulty: Easy
   REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
   TOP: HRM Metrics   KEY: Bloom's: Knowledge

66. The total cost of employee health care divided by the number of covered employees is called the health care cost per _____.
   a. engaged employee
   b. employee
   c. full-time employee
   d. innovation

   ANS: B   PTS: 1   DIF: Difficulty: Easy
   REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
   TOP: HRM Metrics   KEY: Bloom's: Knowledge

67. The number of individual or group performance goals met or exceeded divided by the total number of performance goals is called the percent of performance goals _____.
   a. engaged in
   b. not met
   c. met or exceeded
   d. accepted

   ANS: C   PTS: 1   DIF: Difficulty: Easy
   REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
   TOP: HRM Metrics   KEY: Bloom's: Knowledge

68. Profit divided by the total number of employees is called the _____.
   a. employment profit
   b. employee profit rate
   c. profit per employee
   d. performance profit rate

   ANS: C   PTS: 1   DIF: Difficulty: Easy
   REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
   TOP: HRM Metrics   KEY: Bloom's: Knowledge

69. The value of a program or intervention's benefits minus the total cost divided by the total cost times 100 is called the return on _____.
   a. innovation
   b. invention
   c. investment
   d. profit

   ANS: C   PTS: 1   DIF: Difficulty: Easy
   REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
   TOP: HRM Metrics   KEY: Bloom's: Knowledge

70. The revenue divided by the total number of employees is called _____.
    a. revenue per employee
    b. return on investment
    c. revenue per innovation
    d. return on employee

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

71. The number of days to fill a vacant employee position is called time to_____.
    a. fill
    b. invest
    c. employee
    d. vacate

    ANS: A   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

72. The number of employees leaving divided by the average number of employees during the same period is called the _____.
    a. vacancy rate
    b. employee turnover
    c. rate of return
    d. turnover rate

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

73. The total annual workers' compensation cost divided by the average number of employees is called the workers' compensation cost _____.
    a. frequency
    b. per employee
    c. per injury.
    d. rate

    ANS: B   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

74. To be most effective, _____ should be tied to business goals and drive employee behaviors.
    a. rates
    b. vacancy
    c. revenue
    d. metrics

    ANS: D   PTS: 1   DIF: Difficulty: Easy
    REF: p. 53   OBJ: LO: 2-6   NAT: BUSPROG: Analytic
    TOP: HRM Metrics   KEY: Bloom's: Knowledge

ESSAY

1. When considering different cultural features, what are some preferences that can help you choose the best fit?

   ANS:
   - Focus on competition versus cooperation
   - Formal versus flexible procedures
   - A focus on company success versus the public good
   - Individual versus team-based rewards

- Well-defined versus flexible career paths
- A formal versus informal atmosphere
- Centralized versus decentralized decision making
- Clearly defined responsibilities versus varied responsibilities

PTS: 1 DIF: Difficulty: Moderate REF: pp. 37-38
OBJ: LO: 2-2 NAT: BUSPROG: Analytic
TOP: Why Is Organizational Culture Important? KEY: Bloom's: Analysis

2. What are the seven elements of HPWS that Pfeiffer identified his book *The Human Equation*?

ANS:
- Employment security
- Selective hiring of new talent
- Self-managed teams and decentralization of decision making as the basic principles of organizational design
- Comparatively high compensation contingent on organizational performance
- Extensive training
- Reduced status distinctions and barriers, including dress, language, office arrangements, and wage differences across levels
- Extensive sharing of financial and performance information throughout the organization

PTS: 1 DIF: Difficulty: Moderate REF: p. 40
OBJ: LO: 2-1 NAT: BUSPROG: Analytic
TOP: What Is the Role of HRM in High-Performance Work Systems?
KEY: Bloom's: Knowledge

3. What are the benefits from managing corporate ethics?

ANS:
- Promoting a strong public image
- Substantially improving society
- Helping to manage change
- Cultivating teamwork and productivity
- Supporting employee growth
- Helping to ensure that policies are legal
- Helping to avoid criminal acts on the part of employees.
- Helping to manage employee values associated with quality management, strategic planning, and diversity management

PTS: 1 DIF: Difficulty: Easy REF: p. 42
OBJ: LO: 2-3 NAT: BUSPROG: Analytic
TOP: The Role of HRM in Corporate Ethics and Social Responsibility
KEY: Bloom's: Knowledge

4. How can HRM support corporate ethics?

ANS:
- Hire employees likely to behave ethically
- Train employees on how to recognize and handle different ethical situations
- Implement a company code of conduct and make all employees accountable for following it
- Include ethics information in regular company communications in order to reinforce its importance
- Promptly remove employees involved in unethical behavior or decision making
- Create a reward program that reinforces ethical behavior
- Develop a support system that helps employees make the right decisions and anonymously report others' unethical behavior.

PTS: 1   DIF: Difficulty: Easy   REF: p. 45
OBJ: LO: 2-3   NAT: BUSPROG: Analytic
TOP: The Role of HRM in Corporate Ethics and Social Responsibility
KEY: Bloom's: Knowledge

5. How does HRM support organizational change, and what are some of the most common changes managed by HRM?

ANS:
- New production processes
- Opening a new location
- Rolling out a new benefits program
- Implementing a new human resource information system (HRIS) or upgrading the current HRIS system
- Expanding international operations

Depending on the nature of a strategic change, some employees are likely to lack the willingness or even the ability to support a new strategy. Targeting HRM efforts to develop, motivate, and retain the people who are critical to implementing a new strategy may expedite its adoption and ultimately improve the strategy's effectiveness. Employee participation can also be a positive tactic for change management, as it is ultimately the employees who need to adopt different behaviors and goals to support a change if it is to succeed.

PTS: 1   DIF: Difficulty: Easy   REF: p. 49
OBJ: LO: 2-5   NAT: BUSPROG: Analytic
TOP: The Role of HRM in Corporate Ethics and Social Responsibility
KEY: Bloom's: Knowledge

6. Why is the creation of trust so important to an organization that is going through change?

ANS:

One of the most important factors in successfully creating organizational change is the creation of a culture of trust. There is a great deal of uncertainty before and during a change effort. Trust is the glue that keeps employees committed to the organization and focused on making the change effort successful. Because resistance to change is common when behavioral patterns need to be changed, clear communication and training, goals, feedback, and rewards linked to the new behaviors align employees' goals and behaviors with the new goals and needs of the organization. When quick, radical, change is necessary it may be appropriate to use coercion, but whenever possible it is best to use more collaboration and consultation to promote engagement and commitment to the change.

PTS: 1   DIF: Difficulty: Moderate   REF: p. 50
OBJ: LO: 2-5   NAT: BUSPROG: Analytic
TOP: The Role of HRM in Corporate Ethics and Social Responsibility
KEY: Bloom's: Analysis

7. What are the important HRM issues and activities during different phases of a merger or acquisition?

ANS:

Stage 1—*Precombination:* Identifying the reasons for the M&A—Assisting in conducting a thorough due diligence assessment; Forming an M&A team leader—Participating in planning for the combined firm; Identifying and selecting a partner—Assisting in developing HRM practices that support knowledge transfer and rapid learning; Planning for managing the process; Planning to learn from the process; Participating in pre-selection assessment of the targeted firm.

Stage 2—*Combination:* Selecting the integration manager(s)—Assisting with the design and staffing of the transition team; Designing/implementing transition teams—Developing retention strategies and communicating them to top talent; Creating the new structure, strategies or leadership—Assisting in deciding who is let go; Retaining key employees—Facilitating the establishment of a new culture; Managing the change process—Providing assistance to ensure implementation of HRM policies and practices; Communicating with and involving stakeholders; Developing new policies and practices; Assisting in recruiting and selecting integration manager(s).

Stage 3—Solidification and Assessment: Solidifying leadership and staffing—Monitoring the new culture and recommending approaches to strengthen it; Assessing the new strategies and structures—Enhancing stakeholder satisfaction; Assessing the new culture—Assisting in developing and implementing plans for continuous adjustment and learning; Assessing the concerns of stakeholders; Making revisions as needed; Learning from the process; Participating in establishing criteria and procedures for assessing employee effectiveness in the combined firm.

PTS: 1   DIF: Difficulty: Moderate   REF: p. 51
OBJ: LO: 2-6   NAT: BUSPROG: Analytic
TOP: HRM During Mergers and Acquisitions   KEY: Bloom's: Analysis