Chapter 01

Human Resource Management: A Strategic Function

**True / False Questions**

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| 1. | Human resource management (HRM) encompasses those activities designed to provide for and coordinate the human resources of an organization.  True    False |

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| 2. | The human resources (HR) of an organization represent one of its largest investments.  True    False |

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| 3. | Human resource development is the HR function that is concerned with designing and implementing compensation and benefit systems for all employees.  True    False |

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| 4. | Human resource management is seen as being much narrower and more clerically oriented than personnel management.  True    False |

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| 5. | One of the human resource functions is to provide assistance to employees with personal problems that influence their work performance.  True    False |

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| 6. | The primary function of a human resource department is to provide support to operating managers on all human resource matters.  True    False |

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| 7. | Talent management involves identifying and developing outstanding performers only in the middle management.  True    False |

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| 8. | Large organizations use operating managers to perform human resource functions instead of maintaining a human resource department.  True    False |

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| 9. | Most human resource certification programs require a person to have specific experience and education.  True    False |

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| 10. | A human resource department normally acts in an advisory capacity and does not have authority over operating managers.  True    False |

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| 11. | Today human resource management (HRM) is clearly isolated from both the management and the strategic planning process of an organization and occupies a purely administrative role.  True    False |

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| 12. | The retirement age has been gradually decreasing over the last ten years.  True    False |

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| 13. | Downsizing involves laying off large numbers of managerial and other employees.  True    False |

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| 14. | Fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, service, and speed is known as outsourcing.  True    False |

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| 15. | Telecommuting is becoming popular in today's organizations.  True    False |

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| 16. | It is desirable for human resource managers to become well-rounded businesspeople.  True    False |

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| 17. | The level of communication should be determined by the instigator of the communication rather than the receiving audience.  True    False |

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| 18. | The HR scorecard system uses a mix of quantitative and qualitative measures to evaluate performance.  True    False |

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| 19. | Information is the raw material from which data is developed.  True    False |

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| 20. | The web-based human resource systems (eHR) that many organizations have implemented have not really helped to effectively communicate human resource programs.  True    False |

**Multiple Choice Questions**

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| 21. | When an organization is sold, the purchase price may be higher than the total value of its physical and financial assets. This difference is sometimes called \_\_\_\_.

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| A.  | social cost |

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| B.  | goodwill |

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| C.  | level price |

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| D.  | potential value |

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| 22. | Which of the following major human resource functions would include forecasting the human resource requirements of an organization to achieve its objectives?

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| A.  | Compensation and benefits |

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| B.  | Human resource training and development |

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| --- | --- |
| C.  | Employee and labor relations |

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| D.  | Human resource planning, recruitment, and selection |

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| 23. | Which of the following major human resource functions would include providing assistance to employees with personal problems that influence their work performance?

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| --- | --- |
| A.  | Human resource development |

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| --- | --- |
| B.  | Compensation and benefits |

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| --- | --- |
| C.  | Human resource research |

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| D.  | Safety and health |

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| 24. | Which of the following major human resource functions within an organization would include designing discipline and grievance handling systems?

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| A.  | Compensation and benefits |

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| --- | --- |
| B.  | Employee and labor relations |

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| --- | --- |
| C.  | Human resource planning, recruitment, and selection |

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| --- | --- |
| D.  | Human resource development |

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| 25. | Which of the following major human resource functions would include providing a human resource information base?

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| A.  | Compensation and benefits |

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| --- | --- |
| B.  | Human resource development |

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| --- | --- |
| C.  | Employee and labor relations |

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| --- | --- |
| D.  | Human resource research |

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| 26. | Which of the following major human resource functions would include building effective teams within an organizational structure?

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| --- | --- |
| A.  | Human resource development |

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| --- | --- |
| B.  | Employee and labor relations |

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| --- | --- |
| C.  | Human resource research |

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| --- | --- |
| D.  | Safety and health |

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| 27. | The major functions of human resource management identified by the Society for Human Resource Management (SHRM) include all of the following EXCEPT:

|  |  |
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| A.  | human resource selection. |

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| --- | --- |
| B.  | financial management. |

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| --- | --- |
| C.  | compensation and benefit administration. |

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| D.  | safety and health. |

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| 28. | A human resource generalist is a(n):

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| A.  | human resource professional who works on a freelance basis with several small companies. |

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| B.  | individual who devotes most of his or her time to human resource issues, but does not specialize in any one area. |

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| C.  | person specially trained in one or more areas of human resource management. |

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| D.  | manager who specializes in recruiting and selecting employees for extremely large organizations. |

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| 29. | \_\_\_\_ refers to the broad spectrum of human resource activities involved in obtaining and managing an organization's human resources.

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| A.  | Enterprise resource planning |

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| --- | --- |
| B.  | Supply chain management |

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| --- | --- |
| C.  | Talent management |

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| --- | --- |
| D.  | Social audit |

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| 30. | In small organizations, most human resource functions are performed by the owner or by \_\_\_\_.

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| --- | --- |
| A.  | chief ethical officers |

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| --- | --- |
| B.  | operating managers |

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| --- | --- |
| C.  | human resource specialists |

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| --- | --- |
| D.  | talent managers |

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| 31. | The primary function of the human resource department within an organization has been identified as that of:

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| A.  | financing the investment activities of the organization. |

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| --- | --- |
| B.  | defining the mission and vision of the organization. |

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| C.  | providing support to operating managers on all personnel matters. |

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| D.  | designing and administering work processes. |

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| 32. | The average age of the American workforce is:

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| --- | --- |
| A.  | decreasing. |

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| --- | --- |
| B.  | increasing. |

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| --- | --- |
| C.  | constant. |

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| --- | --- |
| D.  | impossible to predict. |

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| 33. | Which of the following is NOT an advantage of an older workforce?

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| --- | --- |
| A.  | Adaptability |

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| --- | --- |
| B.  | Experience |

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| --- | --- |
| C.  | Reliability |

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| --- | --- |
| D.  | Stability |

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| 34. | According to a survey published in Monthly Labor Review, January 2012, approximately 45 percent of the new entrants during the 2010-2020 time span will be \_\_\_\_.

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| --- | --- |
| A.  | men |

|  |  |
| --- | --- |
| B.  | women |

|  |  |
| --- | --- |
| C.  | white men |

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| --- | --- |
| D.  | Hispanic women |

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| 35. | The \_\_\_\_ labor force is the smallest group in the U.S. labor force.

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| A.  | Hispanic |

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| --- | --- |
| B.  | white |

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| --- | --- |
| C.  | Asian |

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| --- | --- |
| D.  | black |

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| 36. | Which of the following is a disadvantage of increasing organizational diversity?

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| A.  | Increased intolerance toward wider views |

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| B.  | Reduced creativity among employees |

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| C.  | Lack of responsiveness to diverse groups of customers |

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| D.  | Additional time required to deal with special interest groups |

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| 37. | The laying off of large numbers of managerial and other employees is known as:

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| A.  | downsizing. |

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| --- | --- |
| B.  | outsourcing. |

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| --- | --- |
| C.  | rightsizing. |

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| --- | --- |
| D.  | crowdsourcing. |

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| 38. | Subcontracting work to an outside company that specializes in that particular type of work is known as \_\_\_\_.

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| A.  | rightsizing |

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| --- | --- |
| B.  | workshifting |

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| --- | --- |
| C.  | outsourcing |

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| --- | --- |
| D.  | reengineering |

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| 39. | Continuous and proactive assessment of mission-critical work and its staffing requirements is known as \_\_\_\_.

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| A.  | crowdsourcing |

|  |  |
| --- | --- |
| B.  | rightsizing |

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| --- | --- |
| C.  | downsizing |

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| --- | --- |
| D.  | outsourcing |

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| 40. | Fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, service, and speed is known as \_\_\_\_.

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| A.  | reverse mentoring |

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| --- | --- |
| B.  | reengineering |

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| --- | --- |
| C.  | rightsizing |

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| --- | --- |
| D.  | outsourcing |

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| 41. | Empowerment is a management approach which involves:

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| A.  | giving managers the power to fire their subordinates without a valid reason. |

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| B.  | giving subordinates substantial authority to make decisions. |

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| C.  | subcontracting work to an outside company. |

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| D.  | concentrating the power to make decision in the hands of top management. |

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| 42. | Working at home by using an electronic linkup with a central office is known as \_\_\_\_.

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| A.  | reengineering |

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| B.  | outsourcing |

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| --- | --- |
| C.  | crowdsourcing |

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| D.  | telecommuting |

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| 43. | In organizations using self-managed work teams:

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| A.  | employees are not responsible for their actions. |

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| B.  | groups of peers are responsible for a particular area or task. |

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| C.  | groups of employees report to a single manager. |

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| D.  | employees lack the ability to make decisions. |

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| 44. | In the majority of Fortune 500 companies, the head of the human resource department, usually a vice president, answers to the chief executive officer (CEO) of the company. In many companies, the head of the human resource department sits on the board of directors, the planning committee, or both. These trends are indicative of how human resource managers are:

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| A.  | expected to become more specialized in their specific area of function. |

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| B.  | constantly dealing with a shrinking role in most organizations today. |

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| C.  | required to possess competencies that are far less sophisticated than their predecessors. |

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| D.  | increasingly involved in their organization's strategic and policy-making activities. |

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| 45. | Spending more time with the line people, keeping a hand on the pulse of the organization, and learning to calculate costs and solutions in hard numbers are all suggestions that help human resource managers:

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| A.  | become more familiar with their businesses. |

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| B.  | focus solely on their functional area. |

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| C.  | play a limited role in strategic and policy-making activities. |

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| D.  | take a moralistic approach when dealing with operating managers. |

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| 46. | Metrics refers to:

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| A.  | any set of qualitative measures used to evaluate employees' productivity. |

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| B.  | any set of quantitative measures used to assess workforce performance. |

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| C.  | psychological tests used to evaluate the skills of an employee. |

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| D.  | behavioral measures used to assess workforce knowledge. |

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| 47. | The HR scorecard system:

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| A.  | uses only quantitative measures to assess the profits generated by the human resource department. |

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| B.  | is the predecessor of the balance scorecard system. |

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| C.  | measures the contribution of the human resource function to the well-being of a firm. |

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| D.  | is limited specifically to measures about people in an organization. |

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| 48. | Which of the following is a measurement and control system that uses a mix of quantitative and qualitative measures to evaluate performance within organizations?

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| A.  | HR metrics |

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| B.  | Gap analysis |

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| C.  | Balanced scorecard |

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| D.  | SWOT analysis |

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| 49. | Which of the following is a guideline for effectively communicating human resource programs?

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| A.  | Avoid communicating in peer group or "privileged-class" language. |

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| B.  | Disregard the cultural and global aspects of communication. |

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| C.  | Ignore the perceptual and behavioral aspects of communication. |

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| D.  | Transmit data instead of information. |

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| 50. | \_\_\_\_ can be defined as "the raw material from which information is developed and it is composed of acts that describe people, places, things, or events that have not been interpreted."

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| --- | --- |
| A.  | Communication |

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| --- | --- |
| B.  | Data |

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| --- | --- |
| C.  | Knowledge |

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| --- | --- |
| D.  | Metrics |

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**Essay Questions**

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| 51. | What are the six major functions of human resource management as identified by the Society for Human Resource Management (SHRM)?      |

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| 52. | Explain the human resource development function in human resource management.      |

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| 53. | Explain the terms human resource generalist and human resource specialist.      |

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| 54. | Identify the three types of assistance provided by human resource departments with the help of examples.      |

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| 55. | What are the various advantages and disadvantages of diversity in the workforce?      |

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| 56. | MR Systems Inc. has undergone certain structural changes in the recent years. These changes are posing new challenges to the human resource managers of the company. Describe some of the causes that can be attributed to such changes?      |

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| 57. | What is telecommuting?      |

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| 58. | Explain the term empowerment.      |

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| 59. | Serena is a human resource manager at Alta Technologies Inc. What measures should she take to have a direct impact on the organizational performance?      |

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| 60. | List the various guidelines to be followed for communicating human resource programs.      |

Chapter 01 Human Resource Management: A Strategic Function Answer Key

**True / False Questions**

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| 1. | Human resource management (HRM) encompasses those activities designed to provide for and coordinate the human resources of an organization.  **TRUE**Human resource management (HRM) encompasses those activities designed to provide for and coordinate the human resources of an organization. The human resources (HR) of an organization represent one of its largest investments. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Management: A Strategic Function* |

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| --- | --- |
| 2. | The human resources (HR) of an organization represent one of its largest investments.  **TRUE**The human resources (HR) of an organization represent one of its largest investments. In fact, government reports show that approximately 61 percent of national income is used to compensate employees. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Management: A Strategic Function* |

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| --- | --- |
| 3. | Human resource development is the HR function that is concerned with designing and implementing compensation and benefit systems for all employees.  **FALSE**The human resource development function involves orienting and training employees, designing and implementing management and organizational development programs, building effective teams within the organizational structure, designing systems for appraising the performance of individual employees, assisting employees in developing career plans. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 4. | Human resource management is seen as being much narrower and more clerically oriented than personnel management.  **FALSE**Human resource management is a modern term for what was traditionally referred to as personnel administration or personnel management. However, some experts believe human resource management differs somewhat from traditional personnel management. They see personnel management as being much narrower and more clerically oriented than human resource management. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Management: A Strategic Function* |

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| --- | --- |
| 5. | One of the human resource functions is to provide assistance to employees with personal problems that influence their work performance.  **TRUE**Human resource management includes designing and implementing programs to ensure employee health and safety and providing assistance to employees with personal problems that influence their work performance. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| --- | --- |
| 6. | The primary function of a human resource department is to provide support to operating managers on all human resource matters.  **TRUE**The primary function of a human resource department is to provide support to operating managers on all human resource matters. Thus, most human resource departments fulfill a traditional staff role and act primarily in an advisory capacity. In addition to advising operating managers, a human resource department customarily organizes and coordinates hiring and training; maintains personnel records; acts as a liaison between management, labor, and government; and coordinates safety programs. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| --- | --- |
| 7. | Talent management involves identifying and developing outstanding performers only in the middle management.  **FALSE**Talent management is a relatively new and all-encompassing term used in the human resources field. Talent management refers to the broad spectrum of activities involved in obtaining and managing an organization's human resources. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| --- | --- |
| 8. | Large organizations use operating managers to perform human resource functions instead of maintaining a human resource department.  **FALSE**In small organizations, most human resource functions are performed by the owner or by operating managers. Large organizations usually have a human resource department that is responsible for directing the human resource functions. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-05 Explain the desired relationship between human resource managers and operating managers.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 9. | Most human resource certification programs require a person to have specific experience and education.  **TRUE**HR certification is a "career-long commitment that shows your peers, your employees, and your organization that you have mastered the principles of human resources and that you are dedicated to staying current in your profession." Most certification programs require that an individual have specific experience and education, that he or she stays current through continuing education programs, and that he or she passes certain exams. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 List the general requirements for human resource certification.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 10. | A human resource department normally acts in an advisory capacity and does not have authority over operating managers.  **TRUE**A human resource department normally acts in an advisory capacity and does not have authority over operating managers. As a result, conflict can occur when operating managers appear to ignore the suggestions and recommendations of the human resource department. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Summarize the types of assistance the human resource department provides.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 11. | Today human resource management (HRM) is clearly isolated from both the management and the strategic planning process of an organization and occupies a purely administrative role.  **FALSE**Human resource management has expanded and moved beyond mere administration of the traditional activities of employment, labor relations, compensation, and benefits. Today HRM is much more integrated into both the management and the strategic planning process of the organization. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 12. | The retirement age has been gradually decreasing over the last ten years.  **FALSE**With the aging of the overall U.S. population along with the emergence of the baby boomers, the percentage of older employees in the labor force is also expected to increase. One result of this trend is that the retirement age has already begun to increase. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-07 Outline several potential challenges and contributions that an increasingly diverse workforce presents.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 13. | Downsizing involves laying off large numbers of managerial and other employees.  **TRUE**Downsizing is laying off large numbers of managerial and other employees. As a result of downsizing and/or attempts to reduce costs, many companies are outsourcing services that the human resource department previously provided. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 14. | Fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, service, and speed is known as outsourcing.  **FALSE**Outsourcing is subcontracting work to an outside company that specializes in that particular type of work. Reengineering is a fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, service, and speed. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 15. | Telecommuting is becoming popular in today's organizations.  **TRUE**More and more frequently, companies are using telecommuting. Options range from allowing employees to work at home one day a week to running entire projects, or even firms, through electronic communication, with employees all over the country or even on different continents working closely together, yet never meeting face to face. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 16. | It is desirable for human resource managers to become well-rounded businesspeople.  **TRUE**Human resource managers should become well-rounded businesspeople. In addition to having a sound background in the basic disciplines of the profession, human resource professionals need to understand business complexities and strategies. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-08 Discuss the role of human resource managers in the future.Level of Difficulty: 2 MediumTopic: Human Resource Management in the Future* |

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| 17. | The level of communication should be determined by the instigator of the communication rather than the receiving audience.  **FALSE**The level of communication should be determined by the receiving audience and not by the instigator of the communication. Take the common procedure for developing employee benefit information. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-10 Summarize several guidelines to follow when communicating human resource programs.Level of Difficulty: 2 MediumTopic: Communicating Human Resource Programs* |

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| 18. | The HR scorecard system uses a mix of quantitative and qualitative measures to evaluate performance.  **TRUE**The HR scorecard is basically a modified version of the balance scorecard system applied to the human resources function. The balance scorecard system is a measurement and control system that uses a mix of quantitative and qualitative measures to evaluate performance. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-09 Explain how human resource managers can affect organizational performance.Level of Difficulty: 2 MediumTopic: Organizational Performance and the Human Resource Manager* |

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| 19. | Information is the raw material from which data is developed.  **FALSE**Data can be defined as "the raw material from which information is developed; it is composed of acts that describe people, places, things, or events that have not been interpreted." Data that have been interpreted and that meet a need of one or more managers are called information. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-10 Summarize several guidelines to follow when communicating human resource programs.Level of Difficulty: 1 EasyTopic: Communicating Human Resource Programs* |

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| 20. | The web-based human resource systems (eHR) that many organizations have implemented have not really helped to effectively communicate human resource programs.  **FALSE**The web-based human resource systems (e-HRM) that many organizations have implemented have greatly helped to communicate human resource programs. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-10 Summarize several guidelines to follow when communicating human resource programs.Level of Difficulty: 1 EasyTopic: Communicating Human Resource Programs* |

**Multiple Choice Questions**

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| 21. | When an organization is sold, the purchase price may be higher than the total value of its physical and financial assets. This difference is sometimes called \_\_\_\_.

|  |  |
| --- | --- |
| A.  | social cost |

|  |  |
| --- | --- |
| **B.**  | goodwill |

|  |  |
| --- | --- |
| C.  | level price |

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| --- | --- |
| D.  | potential value |

The value of an organization's human resources frequently becomes evident when the organization is sold. Often the purchase price is greater than the total value of the physical and financial assets. This difference is sometimes called goodwill. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Management: A Strategic Function* |

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| 22. | Which of the following major human resource functions would include forecasting the human resource requirements of an organization to achieve its objectives?

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| --- | --- |
| A.  | Compensation and benefits |

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| --- | --- |
| B.  | Human resource training and development |

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| --- | --- |
| C.  | Employee and labor relations |

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| **D.**  | Human resource planning, recruitment, and selection |

The activities under human resource planning, recruitment, and selection are conducting job analyses to establish the specific requirements of individual jobs within an organization, forecasting the human resource requirements the organization needs to achieve its objectives, developing and implementing a plan to meet these requirements, recruiting the human resources the organization requires to achieve its objectives, and selecting and hiring human resources to fill specific jobs within the organization. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 23. | Which of the following major human resource functions would include providing assistance to employees with personal problems that influence their work performance?

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| --- | --- |
| A.  | Human resource development |

|  |  |
| --- | --- |
| B.  | Compensation and benefits |

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| --- | --- |
| C.  | Human resource research |

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| **D.**  | Safety and health |

The human resource function safety and health involves designing and implementing programs to ensure employee welfare and providing assistance to employees with personal problems that influence their work performance. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 24. | Which of the following major human resource functions within an organization would include designing discipline and grievance handling systems?

|  |  |
| --- | --- |
| A.  | Compensation and benefits |

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| --- | --- |
| **B.**  | Employee and labor relations |

|  |  |
| --- | --- |
| C.  | Human resource planning, recruitment, and selection |

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| --- | --- |
| D.  | Human resource development |

Employee and labor relations involve serving as an intermediary between an organization and its unions and designing discipline and grievance handling systems. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 25. | Which of the following major human resource functions would include providing a human resource information base?

|  |  |
| --- | --- |
| A.  | Compensation and benefits |

|  |  |
| --- | --- |
| B.  | Human resource development |

|  |  |
| --- | --- |
| C.  | Employee and labor relations |

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| --- | --- |
| **D.**  | Human resource research |

The human resource research function involves providing a human resource information base and designing and implementing employee communication systems. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 26. | Which of the following major human resource functions would include building effective teams within an organizational structure?

|  |  |
| --- | --- |
| **A.**  | Human resource development |

|  |  |
| --- | --- |
| B.  | Employee and labor relations |

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| --- | --- |
| C.  | Human resource research |

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| --- | --- |
| D.  | Safety and health |

Human resource development involves orienting and training employees, designing and implementing management and organizational development programs, building effective teams within the organizational structure, designing systems for appraising the performance of individual employees, and assisting employees in developing career plans. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 27. | The major functions of human resource management identified by the Society for Human Resource Management (SHRM) include all of the following EXCEPT:

|  |  |
| --- | --- |
| A.  | human resource selection. |

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| --- | --- |
| **B.**  | financial management. |

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| --- | --- |
| C.  | compensation and benefit administration. |

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| --- | --- |
| D.  | safety and health. |

The Society for Human Resource Management (SHRM) has identified six major functions of human resource management:1. Human resource planning, recruitment, and selection. 2. Human resource development. 3. Compensation and benefits. 4. Safety and health. 5. Employee and labor relations. 6. Human resource research. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 28. | A human resource generalist is a(n):

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| --- | --- |
| A.  | human resource professional who works on a freelance basis with several small companies. |

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| --- | --- |
| **B.**  | individual who devotes most of his or her time to human resource issues, but does not specialize in any one area. |

|  |  |
| --- | --- |
| C.  | person specially trained in one or more areas of human resource management. |

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| --- | --- |
| D.  | manager who specializes in recruiting and selecting employees for extremely large organizations. |

Many medium-size and even some large organizations use human resource generalists. A human resource generalist devotes a majority of his or her working time to human resource issues, but does not specialize in any specific areas of human resource management. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 29. | \_\_\_\_ refers to the broad spectrum of human resource activities involved in obtaining and managing an organization's human resources.

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| --- | --- |
| A.  | Enterprise resource planning |

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| --- | --- |
| B.  | Supply chain management |

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| --- | --- |
| **C.**  | Talent management |

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| --- | --- |
| D.  | Social audit |

Talent management refers to the broad spectrum of HR activities involved in obtaining and managing an organization's human resources. This includes everything from crafting a job advertisement to tracking an employee's progress up the career ladder to separation of the employee from the organization. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 30. | In small organizations, most human resource functions are performed by the owner or by \_\_\_\_.

|  |  |
| --- | --- |
| A.  | chief ethical officers |

|  |  |
| --- | --- |
| **B.**  | operating managers |

|  |  |
| --- | --- |
| C.  | human resource specialists |

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| --- | --- |
| D.  | talent managers |

In small organizations, most human resource functions are performed by the owner or by operating managers. These managers perform the human resource functions in addition to their normal managerial activities. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Summarize the types of assistance the human resource department provides.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 31. | The primary function of the human resource department within an organization has been identified as that of:

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| A.  | financing the investment activities of the organization. |

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| --- | --- |
| B.  | defining the mission and vision of the organization. |

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| --- | --- |
| **C.**  | providing support to operating managers on all personnel matters. |

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| --- | --- |
| D.  | designing and administering work processes. |

The primary function of a human resource department is to provide support to operating managers on all human resource matters. Thus, most human resource departments fulfill a traditional staff role and act primarily in an advisory capacity. In addition to advising operating managers, a human resource department customarily organizes and coordinates hiring and training; maintains personnel records; acts as a liaison between management, labor, and government; and coordinates safety programs. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 32. | The average age of the American workforce is:

|  |  |
| --- | --- |
| A.  | decreasing. |

|  |  |
| --- | --- |
| **B.**  | increasing. |

|  |  |
| --- | --- |
| C.  | constant. |

|  |  |
| --- | --- |
| D.  | impossible to predict. |

By the year 2020, the average age of employees will climb to 42.8 from 41.7 in 2010 and from 34.6 in 1980. With the aging of the overall U.S. population along with the emergence of the baby boomers, the percentage of older employees in the labor force is also expected to increase. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 33. | Which of the following is NOT an advantage of an older workforce?

|  |  |
| --- | --- |
| **A.**  | Adaptability |

|  |  |
| --- | --- |
| B.  | Experience |

|  |  |
| --- | --- |
| C.  | Reliability |

|  |  |
| --- | --- |
| D.  | Stability |

The increase in the percentage of older employees will have a mixed effect. The older workforce will likely be more experienced, reliable, and stable, but possibly less adaptable to change and retraining and less into technology and computers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-07 Outline several potential challenges and contributions that an increasingly diverse workforce presents.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 34. | According to a survey published in Monthly Labor Review, January 2012, approximately 45 percent of the new entrants during the 2010-2020 time span will be \_\_\_\_.

|  |  |
| --- | --- |
| A.  | men |

|  |  |
| --- | --- |
| **B.**  | women |

|  |  |
| --- | --- |
| C.  | white men |

|  |  |
| --- | --- |
| D.  | Hispanic women |

Approximately 45 percent of the new entrants during the 2010-2020 time span will be women. This one dimension of diversity has many ramifications for organizations in the areas of child care, spouse relocation assistance programs, pregnancy leave programs, flexible hours, and stay-at-home jobs. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-07 Outline several potential challenges and contributions that an increasingly diverse workforce presents.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 35. | The \_\_\_\_ labor force is the smallest group in the U.S. labor force.

|  |  |
| --- | --- |
| A.  | Hispanic |

|  |  |
| --- | --- |
| B.  | white |

|  |  |
| --- | --- |
| **C.**  | Asian |

|  |  |
| --- | --- |
| D.  | black |

The Asian labor force, which is the smallest group in the U.S. labor force, is expected to have the second highest (behind Hispanics) annual rate of growth from 4.7 percent of the total U.S. work force in 2010 to 5.7 percent by 2020. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-07 Outline several potential challenges and contributions that an increasingly diverse workforce presents.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 36. | Which of the following is a disadvantage of increasing organizational diversity?

|  |  |
| --- | --- |
| A.  | Increased intolerance toward wider views |

|  |  |
| --- | --- |
| B.  | Reduced creativity among employees |

|  |  |
| --- | --- |
| C.  | Lack of responsiveness to diverse groups of customers |

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| --- | --- |
| **D.**  | Additional time required to deal with special interest groups |

An increase in organizational factionalism will require dedicating increasing amounts of time to dealing with special interest and advocacy groups. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-07 Outline several potential challenges and contributions that an increasingly diverse workforce presents.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 37. | The laying off of large numbers of managerial and other employees is known as:

|  |  |
| --- | --- |
| **A.**  | downsizing. |

|  |  |
| --- | --- |
| B.  | outsourcing. |

|  |  |
| --- | --- |
| C.  | rightsizing. |

|  |  |
| --- | --- |
| D.  | crowdsourcing. |

Downsizing is laying off large numbers of managerial and other employees. As a result of downsizing and/or attempts to reduce costs, many companies are outsourcing services that the human resource department previously provided. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 38. | Subcontracting work to an outside company that specializes in that particular type of work is known as \_\_\_\_.

|  |  |
| --- | --- |
| A.  | rightsizing |

|  |  |
| --- | --- |
| B.  | workshifting |

|  |  |
| --- | --- |
| **C.**  | outsourcing |

|  |  |
| --- | --- |
| D.  | reengineering |

Outsourcing is subcontracting work to an outside company that specializes in that particular type of work. Some examples of human resource services being outsourced include retirement plan administration, payroll, training, and management development programs. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 39. | Continuous and proactive assessment of mission-critical work and its staffing requirements is known as \_\_\_\_.

|  |  |
| --- | --- |
| A.  | crowdsourcing |

|  |  |
| --- | --- |
| **B.**  | rightsizing |

|  |  |
| --- | --- |
| C.  | downsizing |

|  |  |
| --- | --- |
| D.  | outsourcing |

Rightsizing is the continuous and proactive assessment of mission-critical work and its staffing requirements. Rightsizing differs from downsizing in that it is an ongoing planning process to determine the optimal number of employees in every area of the organization. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 40. | Fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, service, and speed is known as \_\_\_\_.

|  |  |
| --- | --- |
| A.  | reverse mentoring |

|  |  |
| --- | --- |
| **B.**  | reengineering |

|  |  |
| --- | --- |
| C.  | rightsizing |

|  |  |
| --- | --- |
| D.  | outsourcing |

Reengineering is a fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, service, and speed. In essence, reengineering usually results in sweeping changes in management and organizational structures. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 41. | Empowerment is a management approach which involves:

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| --- | --- |
| A.  | giving managers the power to fire their subordinates without a valid reason. |

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| --- | --- |
| **B.**  | giving subordinates substantial authority to make decisions. |

|  |  |
| --- | --- |
| C.  | subcontracting work to an outside company. |

|  |  |
| --- | --- |
| D.  | concentrating the power to make decision in the hands of top management. |

Empowerment is a form of decentralization that involves giving subordinates substantial authority to make decisions. Under empowerment, managers express confidence in the ability of employees to perform at high levels. Employees are also encouraged to accept personal responsibility for their work. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 42. | Working at home by using an electronic linkup with a central office is known as \_\_\_\_.

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| A.  | reengineering |

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| B.  | outsourcing |

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| C.  | crowdsourcing |

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| **D.**  | telecommuting |

More and more frequently, companies are using telecommuting. Options range from allowing employees to work at home one day a week to running entire projects, or even firms, through electronic communication, with employees all over the country or even on different continents working closely together, yet never meeting face to face. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 43. | In organizations using self-managed work teams:

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| A.  | employees are not responsible for their actions. |

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| **B.**  | groups of peers are responsible for a particular area or task. |

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| C.  | groups of employees report to a single manager. |

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| D.  | employees lack the ability to make decisions. |

In organizations using self-managed work teams, groups of employees do not report to a single manager; rather, groups of peers are responsible for a particular area or task. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 44. | In the majority of Fortune 500 companies, the head of the human resource department, usually a vice president, answers to the chief executive officer (CEO) of the company. In many companies, the head of the human resource department sits on the board of directors, the planning committee, or both. These trends are indicative of how human resource managers are:

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| A.  | expected to become more specialized in their specific area of function. |

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| B.  | constantly dealing with a shrinking role in most organizations today. |

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| C.  | required to possess competencies that are far less sophisticated than their predecessors. |

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| **D.**  | increasingly involved in their organization's strategic and policy-making activities. |

To meet the challenges of the future, tomorrow's human resource departments must possess different competencies and be much more sophisticated than their predecessors. Given the more sophisticated role human resource departments must fill, it is essential that human resource managers be integrally involved in the organization's strategic and policy-making activities. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-08 Discuss the role of human resource managers in the future.Level of Difficulty: 2 MediumTopic: Human Resource Management in the Future* |

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| 45. | Spending more time with the line people, keeping a hand on the pulse of the organization, and learning to calculate costs and solutions in hard numbers are all suggestions that help human resource managers:

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| **A.**  | become more familiar with their businesses. |

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| B.  | focus solely on their functional area. |

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| C.  | play a limited role in strategic and policy-making activities. |

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| D.  | take a moralistic approach when dealing with operating managers. |

The following suggestions can help human resource managers become more familiar with their businesses: • Know the company strategy and business plan. • Know the industry. • Support business needs. • Spend more time with the line people. • Keep your hand on the pulse of the organization. • Learn to calculate costs and solutions in hard numbers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-08 Discuss the role of human resource managers in the future.Level of Difficulty: 2 MediumTopic: Human Resource Management in the Future* |

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| 46. | Metrics refers to:

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| A.  | any set of qualitative measures used to evaluate employees' productivity. |

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| **B.**  | any set of quantitative measures used to assess workforce performance. |

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| C.  | psychological tests used to evaluate the skills of an employee. |

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| D.  | behavioral measures used to assess workforce knowledge. |

Metrics refers to any set of quantitative measures used to assess workforce performance. Examples of metrics that HR might use include such things as analysis of the cost per hire, average length of time to fill a position, training cost per employee, turnover cost per employee, and new-hire performance by recruiting strategy. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-09 Explain how human resource managers can affect organizational performance.Level of Difficulty: 2 MediumTopic: Organizational Performance and the Human Resource Manager* |

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| 47. | The HR scorecard system:

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| A.  | uses only quantitative measures to assess the profits generated by the human resource department. |

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| B.  | is the predecessor of the balance scorecard system. |

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| **C.**  | measures the contribution of the human resource function to the well-being of a firm. |

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| D.  | is limited specifically to measures about people in an organization. |

There is a need to measure the overall contribution of the HR function to the well-being of the organizations. The HR scorecard is one method used to do this. The HR scorecard is basically a modified version of the balance scorecard system applied to the human resources function. The balance scorecard system is a measurement and control system that uses a mix of quantitative and qualitative measures to evaluate performance. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-09 Explain how human resource managers can affect organizational performance.Level of Difficulty: 2 MediumTopic: Organizational Performance and the Human Resource Manager* |

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| 48. | Which of the following is a measurement and control system that uses a mix of quantitative and qualitative measures to evaluate performance within organizations?

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| A.  | HR metrics |

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| B.  | Gap analysis |

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| **C.**  | Balanced scorecard |

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| D.  | SWOT analysis |

The balance scorecard system is a measurement and control system that uses a mix of quantitative and qualitative measures to evaluate performance. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-09 Explain how human resource managers can affect organizational performance.Level of Difficulty: 1 EasyTopic: Organizational Performance and the Human Resource Manager* |

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| 49. | Which of the following is a guideline for effectively communicating human resource programs?

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| **A.**  | Avoid communicating in peer group or "privileged-class" language. |

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| B.  | Disregard the cultural and global aspects of communication. |

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| C.  | Ignore the perceptual and behavioral aspects of communication. |

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| D.  | Transmit data instead of information. |

When communicating human resource programs, managers should avoid communicating in peer group or "privileged-class" language. The level of communication should be determined by the receiving audience and not by the instigator of the communication. The key is to consciously remember for whom the communication is intended. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-10 Summarize several guidelines to follow when communicating human resource programs.Level of Difficulty: 2 MediumTopic: Communicating Human Resource Programs* |

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| 50. | \_\_\_\_ can be defined as "the raw material from which information is developed and it is composed of acts that describe people, places, things, or events that have not been interpreted."

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| A.  | Communication |

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| **B.**  | Data |

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| C.  | Knowledge |

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| --- | --- |
| D.  | Metrics |

Data can be defined as "the raw material from which information is developed; it is composed of acts that describe people, places, things, or events that have not been interpreted." Data that have been interpreted and that meet a need of one or more managers are called information. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-10 Summarize several guidelines to follow when communicating human resource programs.Level of Difficulty: 1 EasyTopic: Communicating Human Resource Programs* |

**Essay Questions**

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| 51. | What are the six major functions of human resource management as identified by the Society for Human Resource Management (SHRM)?  The six major functions of human resource management as identified by the Society for Human Resource Management (SHRM) are:1) Human resource planning, recruitment, and selection.2) Human resource development.3) Compensation and benefits.4) Safety and health.5) Employee and labor relations.6) Human resource research. |

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| *AACSB: Analytical ThinkingBlooms: UnderstandLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 52. | Explain the human resource development function in human resource management.  The human resource development function involves the following activities:• Orienting and training employees.• Designing and implementing management and organizational development programs.• Building effective teams within the organizational structure.• Designing systems for appraising the performance of individual employees.• Assisting employees in developing career plans. |

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| *AACSB: Analytical ThinkingBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 53. | Explain the terms human resource generalist and human resource specialist.  A human resource generalist is a person who devotes a majority of working time to human resource issues, but does not specialize in any specific areas of human resource management. A human resource specialist is a person specially trained in one or more areas of human resource management (e.g., labor relations specialist, wage and salary specialist). |

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| *AACSB: Analytical ThinkingBlooms: RememberLearning Objective: 01-02 Describe the functions of human resource management.Level of Difficulty: 1 EasyTopic: Human Resource Functions* |

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| 54. | Identify the three types of assistance provided by human resource departments with the help of examples.  The human resource department can be seen as providing three types of assistance:1) specific services, like maintaining employee records and handling initial phases of employee orientation;2) advice, as in disciplinary matters and equal employment opportunity matters; and3) coordination with regard to performance appraisals and compensation matters. |

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| *AACSB: Analytical ThinkingBlooms: UnderstandLearning Objective: 01-03 Summarize the types of assistance the human resource department provides.Level of Difficulty: 2 MediumTopic: Human Resource Functions* |

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| 55. | What are the various advantages and disadvantages of diversity in the workforce?  Diversity in the workforce encompasses many different dimensions, including sex, race, national origin, religion, age, sexual orientation, and disability.Greater diversity will not only create certain specific challenges but also make some important contributions. Communication problems are certain to occur, including misunderstandings among employees and managers as well as the need to translate verbal and written materials into several languages. Solutions to these problems will necessitate additional training involving work in basic skills such as writing and problem solving. An increase in organizational factionalism will require dedicating increasing amounts of time to dealing with special interest and advocacy groups.In addition to creating the above challenges, greater diversity presents new opportunities.Diversity contributes to creating an organizational culture that is more tolerant of different behavioral styles and wider views. This often leads to better business decisions. Another potential payoff is a greater responsiveness to diverse groups of customers. |

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| *AACSB: Analytical ThinkingBlooms: UnderstandLearning Objective: 01-07 Outline several potential challenges and contributions that an increasingly diverse workforce presents.Level of Difficulty: 2 MediumTopic: Challenges for Today's Human Resource Managers* |

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| 56. | MR Systems Inc. has undergone certain structural changes in the recent years. These changes are posing new challenges to the human resource managers of the company. Describe some of the causes that can be attributed to such changes?  Structural changes within MR Systems Inc. or other organizations can be caused by downsizing, outsourcing, rightsizing, or reengineering. Downsizing involves laying off large numbers of managerial and other employees. As a result of downsizing and/or attempts to reduce costs, many companies are outsourcing services that the human resource department previously provided. Outsourcing entails subcontracting work to an outside company that specializes in that particular type of work. Rightsizing is the continuous and proactive assessment of mission-critical work and its staffing requirements. Rightsizing differs from downsizing in that it is an ongoing planning process to determine the optimal number of employees in every area of the organization. Reengineering is a fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, service, and speed. In essence, reengineering usually results in sweeping changes in management and organizational structures. |

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| *AACSB: Reflective ThinkingBlooms: ApplyLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 3 HardTopic: Challenges for Today's Human Resource Managers* |

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| 57. | What is telecommuting?  Telecommuting refers to working at home by using an electronic linkup with a central office. More and more frequently, companies are using telecommuting. Options range from allowing employees to work at home one day a week to running entire projects, or even firms, through electronic communication, with employees all over the country or even on different continents working closely together, yet never meeting face to face. |

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| *AACSB: Analytical ThinkingBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 58. | Explain the term empowerment.  Empowerment is a form of decentralization that involves giving subordinates substantial authority to make decisions. Under empowerment, managers express confidence in the ability of employees to perform at high levels. Employees are also encouraged to accept personal responsibility for their work. |

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| *AACSB: Analytical ThinkingBlooms: RememberLearning Objective: 01-06 Identify several challenges today's human resource managers currently face.Level of Difficulty: 1 EasyTopic: Challenges for Today's Human Resource Managers* |

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| 59. | Serena is a human resource manager at Alta Technologies Inc. What measures should she take to have a direct impact on the organizational performance?  The measures Serena needs to take involve:• Reducing unnecessary overtime expenses by increasing productivity during a normal day.• Staying on top of absenteeism and instituting programs designed to reduce money spent for time not worked.• Eliminating wasted time by employees through sound job design.• Minimizing employee turnover and unemployment benefit costs by practicing sound human relations and creating a work atmosphere that promotes job satisfaction.• Installing and monitoring effective safety and health programs to reduce lost-time, accidents and keep medical and workers' compensation costs low.• Properly training and developing all employees so they can improve their value to the company and do a better job of producing and selling high-quality products and services at the lowest possible cost.• Decreasing costly material waste by eliminating bad work habits and attitudes and poor working conditions that lead to carelessness and mistakes.• Hiring the best people available at every level and avoiding overstaffing.• Maintaining competitive pay practices and benefit programs to foster a motivational climate for employees.• Encouraging employees, who probably know more about the nuts and bolts of their jobs than anyone else, to submit ideas for increasing productivity and reducing costs.• Installing electronic human resource systems (e-HR and e-HRM) to streamline and automate many human resource functions. |

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| *AACSB: Reflective ThinkingBlooms: ApplyLearning Objective: 01-09 Explain how human resource managers can affect organizational performance.Level of Difficulty: 3 HardTopic: Organizational Performance and the Human Resource Manager* |

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| 60. | List the various guidelines to be followed for communicating human resource programs.  The following are some of the guidelines human resource (HR) managers can follow to effectively communicate human resource programs:• Avoid communicating in peer group or "privileged-class" language.• Don't ignore the cultural and global aspects of communication.• Back up communications with management action.• Periodically reinforce employee communications.• Transmit information and not just data.• Don't ignore the perceptual and behavioral aspects of communication. |

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| *AACSB: Analytical ThinkingBlooms: UnderstandLearning Objective: 01-10 Summarize several guidelines to follow when communicating human resource programs.Level of Difficulty: 2 MediumTopic: Communicating Human Resource Programs* |